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USSR Report

NATIONAL ECONOMY

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12 FEBRUARY 1987

USSR REPORT

NATIONAL ECONOMY

CONTENTS

ECONOMIC AFFAIRS

RESOURCE UTILIZATION, SUPPLY

- Economist Calls for New Settlement Procedures With Suppliers
(N. Fedorov; EKONOMICHESKAYA GAZETA, No 39, Sep 86) 1

AGRICULTURE

AGRO-ECONOMICS, POLICY, ORGANIZATION

- Ukraininan APK Development in 12th FYP Viewed
(Yu. Kolomiyets; EKONOMIKA SELSKOGO KHOZYAYSTVO, No 11,
Nov 86) 7

- VASKhNIL's Nikonov Interviewed on Strengthening APK
(Aleksandr Aleksandrovich Nikonov Interview; PRAVDA,
24 Dec 86) 25

MACHINERY, EQUIPMENT

- Equipment Support in Behalf of Agricultural Development
(TEKHNICA V SELSKOM KHOZYAYSTVE, Nos 1, 10; Jan, Oct 86) 31
- Improvements in Volumes, Quality of Agricultural Equipment
Required 31
- New Machines for Agriculture, by N. A. Stolbushkin 38

CONSUMER GOODS, DOMESTIC TRADE

POLICY, ORGANIZATION

Deputy Trade Minister on New Reforms for 1987 (P. Kondrashov; SOVETSKAYA TORGOVLYA, No 10, Oct 86) ...	46
---	----

GOODS PRODUCTION, DISTRIBUTION

Trade Turnover Figures From January-November 1986 (SOVETSKAYA TORGOVLYA, 16 Dec 86)	59
TV Airs Discussion of State Acceptance Service (Moscow Television Service, 26 Dec 86)	60

ENERGY

FUELS

Coal Minister Calls for Accelerated Ekibastuz Development (M. I. Shchadov; UGOL, No 11, Nov 86)	65
--	----

HUMAN RESOURCES

LABOR

Shatalin, Others on Changes in Wage Regulations (S. Shatalin; EKONOMICHESKAYA GAZETA, No 48, Nov 86) ...	76
Zaslavskaya, Others View Individual Labor Law (Moscow Television Service, 20 Dec 86)	81

TRANSPORTATION

RAIL SYSTEMS

Natural Gas-Powered Locomotive Testing at Shcherbinka (V. Sluzhakov; GUDOK, 5 Dec 86)	95
Designer on Work at Kharkov Diesel Engine Plant (Valentin Nikolayevich Zayonchkovskiy Interview; GUDOK, 5 Dec 86)	97
Plans for New Moscow Train Servicing Yard (B. Kolesnikov; GUDOK, 16 Dec 86)	99

MARITIME AND RIVER FLEETS

New Minister, Others Address Maritime Fleet Issues (Yu. M. Volmer; VODNYI TRANSPORT, 29 Nov 86)	102
Ministry Officials Punished for Admiral Nakhimov Disaster (VODNYI TRANSPORT, 29 Nov 86)	118

/7310

RESOURCE UTILIZATION, SUPPLY

ECONOMIST CALLS FOR NEW SETTLEMENT PROCEDURES WITH SUPPLIERS

Moscow EKONOMICHESKAYA GAZETA in Russian No 39, Sep 86 p 6

[Article by N. Fedorov, economist, Moscow: "For the Conscientious Supplier-- Guarantee of Payment"; first paragraph is source introduction; capitalized passages originally published in boldface]

[Text] At the June (1986) Plenum of the CPSU Central Committee, it was pointed out that in the transition to the new methods of management, the role of the bank as a very important organ of economic management should be increased. The task was set of improving credit and all banking work.

Experience has shown that an important question is the arrangement of settlements for released (shipped) products. And this is understandable: the system of monetary settlements for products delivered in conformity with concluded contracts, reflecting the economic interests and relationships of enterprises, significantly influences planning and increased intensification of production. Even K. Marx noted that the quicker the sale of goods is made, the broader will the scale of reproduction be, and vice versa.

As we know, control of the ruble in financial and operational activities of enterprises is exercised by Gosbank and Stroybank. They act as arrangers of settlements and in practice should be accelerators of economic turnover. It turns out, however, that banks frequently delay and hinder settlements, inflicting economic damage to enterprises.

Why does this happen?

Let us consider how settlements are now being handled.

THE "SHORT WAY" AND THE "LONG" WAY

According to the law (Article 30 of "Osnovy zakonodatelstva" [Fundamentals of Legislation]), products turned over by the supplier to transport for delivery to the purchaser now belong to the purchaser. It would appear that this means that after shipment, the supplier should be paid. But actually it seems that what occurs is the following:

The bank, when the supplier brings in settlement documents (bills, demands for payment) made out to the buyer for receipt of payment, extends credit on the basis of these documents in the amount of planned costs for the shipped products (approximately 80-90 percent of their cost). The documents are then sent via communications and transport organs to the purchaser's bank. There they are also paid for with credit extended to the purchaser. Subsequently payments are made to the supplier's bank for entry of proceeds to his account and showing them in accounting and reporting of the volume of product sales and proceeds.

Thus, whereas products move only in one direction--from the supplier to the purchaser, monetary settlement documents make a complete circle and in their movement lag behind the products more than 10 days on the average for the national economy (2.7 percent of a year's length). The receipt and use of all the monetary accumulations created in the economy during this period of time lag behind (inasmuch as the bank extends credit to the supplier only in the amount of planned expenditures for the shipped products). This amounts over a year to about 8 billion rubles. That is, for the settlement period expanded reproduction changes, as it were, into simple reproduction. It is necessary to keep in mind that the indicated sum increases yearly because of growth of the volume of sales and of accumulations. Furthermore, a considerable amount of the accumulations "gets stuck" in unpaid settlement documents with deprivation of purchasers of payment credit (cards Nos 2 and 3 in banks).

Due to the holding up of payments in the national economy, a tremendous reciprocal debtor-creditor indebtedness of enterprises is formed, and their overdue indebtedness to banks grows. Many thousands of accounts workers are maintained solely for keeping track of indebtedness.

The result is that everybody owes everybody and everybody keeps track of indebtedness, but it is not clear as to who is at fault. There appear and grow so-called chains of nonpayments: banks through sanctions deprive many buyers of payment credit; suppliers, not receiving timely payments from purchasers, themselves become defaulters....

IN PURSUIT OF PAYMENT

The main problem is that the supplier now does not know when he will be paid for his products, which incidentally were sent in full and exact conformity to plan and contracts (even if these products are of great national-economic importance, are in their technical parameters superior to domestic or world models and have already been used by the recipient). Receipt of payment depends on two bank branches, communications and transport organs, on the distance from the purchaser, on whether he has funds on account and on whether the bank extends him credit for settlements and so forth.

In the morbid pursuit of payments, many suppliers for the purpose of fulfilling prescribed plans ship products to purchasers not according to an agreed-upon schedule but in the consideration of the quickest possible receipt of payments for reporting dates. At the same time, of course, the fulfillment of delivery contracts is disorganized, difficulties arise in material and

technical supply: above-plan (above-norm) supply stocks in some enterprises (those that are closely located to suppliers and are solvent) and shortages of the same stocks at other enterprises (which are far away and insolvent). All this results in unevenness in the work of collectives, downtime, crash work and in the final analysis in a certain reduction of annual growth of production.

Thousands of "tolkachi" [expeditors] travel about the country, increasing costs: some from suppliers to buyers (for speeding up payments), others from buyers to suppliers (for speeding up product shipments).

Toward the end of the year (usually in December) when reciprocal indebtedness of enterprises in regard to settlements for products and their overdue indebtedness to banks in regard to credit reaches the maximum, Gosbank and Stroybank carry out a so-called settlement of reciprocal indebtedness of enterprises by extending credit until March-April of the following year as well as reapportionment among construction projects of unused allocations for capital investment. As a result of the partial payment of indebtedness and reapportionment of allocations for capital investment, the financial situation of enterprises temporarily improves somewhat and growth of production output increases, but then toward the end of the year, overdue reciprocal indebtedness soars and the story repeats itself.

How can the chain of payment failures be broken?

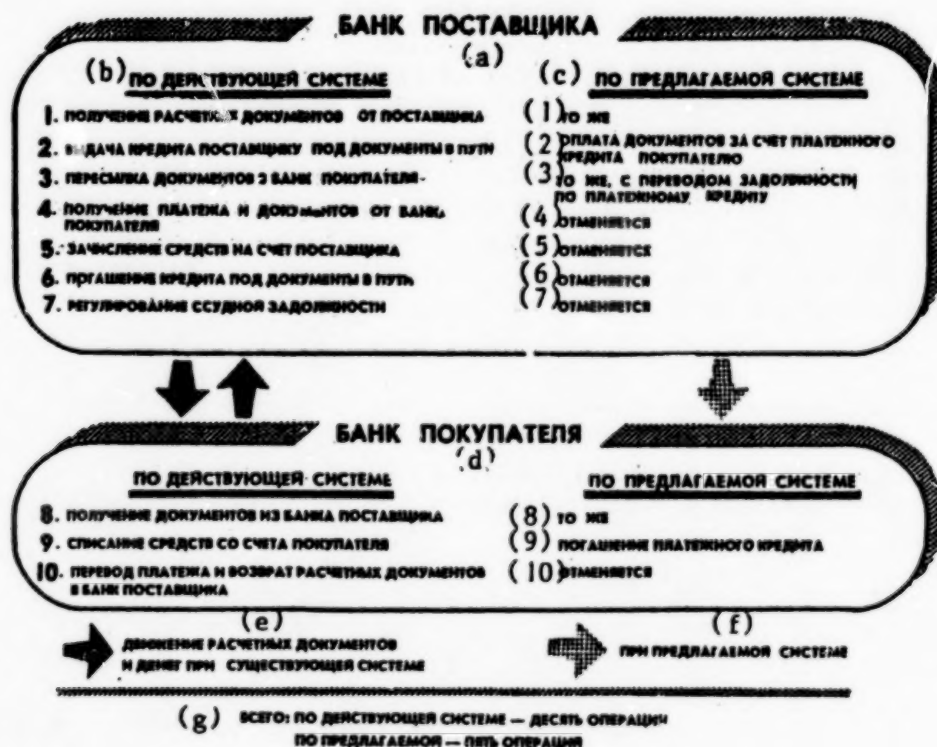
Let us remember that the question of improving the organization of settlements in the national economy for product deliveries was essentially solved by the decisions of 12 July 1979 on improving the economic mechanism. In paragraph 57 of Decree No 695 of the CPSU Central Committee and the USSR Council of Ministers of 12 July 1979 it states that banks must grant credit for settlements with suppliers for products delivered in conformity with concluded contracts and apply the indebtedness to purchasers' credit. This extension of credit is continued even in the case of a delay in return of the credit by the buyers but with a charge of higher interest. In this way, suppliers do not have to suffer because of lack of funds for paying off products by buyers.

But, as time has shown, Gosbank and Stroybank interpreted this paragraph of the decree in their own way, leaving the obsolete, complex and cumbersome arrangement of settlements practically without any changes, extending only the time payment credit granted to buyers for settlements with suppliers. Despite the mentioned decree, banks deprive enterprises of payment credit for various defects in work, although it is not permitted to deprive a buyer of this credit inasmuch as the supplier suffers. On receiving a report from purchasers' banks of their lack of funds for settlements, banks as before immediately demand payment of the credit from suppliers for the settlement documents en route. In this way the cost-accounting principles of enterprises are violated because the responsibility falls directly and immediately on the supplier for financial breaches of purchasers.

HOW TO BREAK OUT OF THE VICIOUS CIRCLE?

Under the new conditions of management, introduction of full cost accounting and transfer of enterprises to self-reimbursement and self-financing, it is necessary to guarantee to conscientious suppliers punctually fulfilling their contractual obligations timeliness in receipt of payments for products and to create the most favored conditions in settlements for them. FOR THIS, IT WOULD BE EXPEDIENT TO PAY THE SETTLEMENT DOCUMENTS AFTER RELEASE (SHIPMENT) OF THE PRODUCTS NOT AT BANKS SERVING BUYERS, as is being done today, BUT AT BANKS SERVING THE ACTUAL SUPPLIERS (INSTEAD OF EXTENDING THEM CREDIT FOR THE DOCUMENTS THAT ARE ON THE WAY) BY MEANS OF THE CREDIT EXTENDED TO THE PURCHASERS IN ACCORDANCE WITH PARAGRAPH 57 OF THE ABOVE-MENTIONED DECREE OF THE CPSU CENTRAL COMMITTEE AND THE USSR COUNCIL OF MINISTERS. The paid documents together with transfer of the indebtedness on the basis of credit will be sent to the purchasers' banks for subsequent acceptance (agreement of the buyer to accept and pay for the products) and consequent clearing of the indebtedness.

A MODEL CHART OF BANK OPERATIONS



[Key to diagram on next page]

[KEY]

(a) SUPPLIER'S BANK

- | (b) According to the existing system | (c) According to the proposed system |
|---|--|
| 1. Receipt of settlement documents from supplier | (1) Ditto |
| 2. Credit extended to supplier for documents en route | (2) Payment of documents with buyer's payment credit |
| 3. Forwarding of documents to to buyer's bank | (3) Ditto, with transfer of indebted- on the basis of payment credit |
| 4. Receipt of payment and docu- ments from buyer's bank | (4) To be revoked |
| 5. Entering credit to supplier's account | (5) To be revoked |
| 6. Repayment of credit for documents en route | (6) To be revoked |
| 7. Regulation of loan indebtedness | (7) To be revoked |

(d) BUYER'S BANK

- | | |
|---|---------------------------------|
| 8. Receipt of documents from bank | (8) Ditto |
| 9. Writing off of funds from buyer's account | (9) Repayment of payment credit |
| 10. Transfer of payment and return of settlement documents to supplier's bank | (10) To be revoked |

- | (e) Movement of settlement documents and money under the existing system | (f) Under the proposed system |
|--|-------------------------------|
|--|-------------------------------|

(g) Total: for the existing system	-- 10 operations
for the proposed system	-- 5 operations

In addition, it would be advisable to permit Gosbank in all cases of refusal of the purchaser to accept settlement documents wrongly addressed by the supplier to demand from the supplier without question a fine (in the amount of 5 percent of this sum) in addition to the amount of the refusal. In the case of repeated refusals of acceptance by buyers, the supplier should be transferred to settlements with preliminary (before payment of settlement documents) acceptance by one month, quarter or more, until the violations are eliminated. It would also be useful to raise the interest rate for overdue Gosbank loans for industrial enterprises from 10 to 15 percent as well as to permit Gosbank to recover long overdue indebtedness of enterprises on loans from their superior organizations, including ministries and departments that fail to institute measures for improving the work of subordinate collectives. All this would help to improve contract discipline and strengthen control over observance of obligations by suppliers and purchasers.

In this manner, the work of Gosbank, Stroybank and enterprises relating to settlements could be halved in connection with the abolition of transfer of payments and forwarding of settlement monetary documents from purchasers' banks to suppliers' banks. Credit for settlements due to their acceleration (and consequently credit resources to banks for this purpose) would also be required half as often as today: credit for settlements documents en route, payment credit for product settlements and payment of wages and credit for above-norm supply stocks would be completely or partially curtailed. At the same time, balancing of material and financial plans would be improved and cost accounting strengthened and developed. All this will promote the creation of the necessary conditions for the transfer of enterprises to self-reimbursement and self-financing and raising the efficiency of our economy.

FROM THE EDITORS: In publishing the economist's article, the editors invite personnel of the bank and industrial enterprises to express their opinion on this question.

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UKRAINIAN APK DEVELOPMENT IN 12TH FYP VIEWED

Moscow EKONOMIKA SELSKOGO KHOZYAYSTVO in Russian No 11, Nov 86 pp 10-23

[Article by Yu. Kolomiyets, first deputy chairman UkSSR Council of Ministers, chairman of UkSSR Gosagroprom (State Agro-Industrial Committee): "The UkSSR Agro-Industrial Complex in the 12th Five-Year Plan Period"]

[Text] Practical realization of the tasks set by the 27th Party Congress and the June 1986 CPSU Central Committee Plenum are presently the center of attention of all workers of the country's agro-industrial complex, including those of the UkSSR, whose share in the all-union division of labor amounts to 23 percent of the entire volume of gross agricultural output production, 19 percent of whole milk production, 26 percent of the butter output, 33 percent of the vegetable oil production, 22 percent of canned and bottled goods production and 53 percent of granulated sugar production.

Under the leadership of the republic's Gosagroprom party and soviet organs, the oblast agro-industrial committees, RAPO's [District Agro-Industrial Associations], and labor collectives of enterprises and organizations, in showing their concern regarding more complete utilization of existing production and scientific potential and deriving increased yields from their allocated resources, are doing everything so that by intensifying production they can increase the volume of gross output of the agro-industrial complex by 14.9 percent during the 12th Five-Year Plan period, and this includes agricultural output by 13-15 percent and the foodstuffs, butter and milk industry by 14.6 percent. In other words, they want to double the growth rate and reach the goals set in the Food Program. It is envisaged that the entire increase in output production will stem from increased labor productivity.

Our plans find their support in our vast scientific and production, and labor force potential, and on their foundations, which have already been so excellently prepared. In fact, R39 billion in capital investments were used to consolidate the the material and technical base of the republic's agricultural industry, as well as the sectors affiliated with it, and this was just during the last five-year plan period. Power engineering capacities have increased by 27 percent and mineral fertilizer shipments by 37 percent. We have put 523,000 hectares of irrigated land and 683,000 hectares of drained land into production. The overall area of reclaimed lands exceeds 5 million hectares, and this has been accompanied by the extensive introduction of

scientifically substantiated systems of agricultural management, and by intensive production methods.

Using these production methods, the republic's economies are presently growing corn, sugar beets, rice and castor beans over their entire sowing area and our basic grain crop--winter wheat--on 60 percent of its sowing area. Throughout the republic as a whole, harvest increases in these areas in recent years have amounted to 30 quintals/hectare of sugar beets, 8-9 quintals/hectare of grain corn, 11-12 quintals/hectare of winter wheat and 3-5 quintals/hectare of sunflower seed. Volumes of milk, beef and wool produced at our complexes and mechanized farm sections, where flow-line production methods are used, amount to over 50 percent of the total volumes of their production, and 60 percent of the pork produced. Labor productivity at the sections using flow-line production methods is 25-30 percent higher and feed outlays per unit of output are 15-20 percent lower than at sections where regular production methods are used.

Within the republic, continued growth has been secured in the production capacities of our enterprises involved in the reprocessing of agricultural products. Thus sugar-beet processing volumes have increased by 19,000 t per day, meat output by 767 t per shift, whole milk output by 1,250 t per shift, canned fruits and vegetables by 350 mubs per year and confectionery products by 73,000 t per year.

The economic experiment conducted by the food industry confirms the high degree of effectiveness of the measures which were developed to expand the rights and independence of the labor collectives with regard to their planning and economic activity and the reinforcement of their material motivation in executing the main valuating indicator--the volume of saleable output, with consideration for their delivery obligations. Food industry enterprises now have greater opportunities for accelerating the technical re-equipping of production. During two years under new operating conditions, R140 million in non-centralized capital outlays have been allocated to these ends. It has become possible to free 5,600 persons for work in other sectors. Worker incentives have been boosted for achieving higher production results. The number of workers receiving supplementary payments to their wage rates stemming from economies in the wage fund has increased almost 9-fold, and the total of supplementary payments has increased some 16-fold. Allocations for social and cultural measures, housing construction and material incentives have increased by one-third, and the production development fund has increased by 50 percent. All of this helped fulfill the 1985 plans for production and sale of output with consideration taken for contract-related deliveries. Production of high-quality output increased by 28 percent. In two years, production was initiated on 167 new types of products, 99 of them for the first time.

Beginning in 1986, meat and milk industry enterprises have been working by a new method of economic management, and starting in 1987 the remaining sectors of the APK's industries will change over to them as well.

Efforts to improve the well-being of APK workers is proceeding purposefully, and the social transformation of the countryside has accelerated markedly.

There are presently paved approach roads in 90 percent of our rural population centers, and residents of two-thirds of the villages use gas. Installation of telephones in our kolkhozes and sovkhoses has been completed. The average monthly wage of our kolkhoz farmers has been increased by a third compared to the 1980 level. The population's cultural and welfare, trade and medical services have been improved. This is leading to profound positive social changes and to the stabilization of the rural labor force. There has been a noticeable reduction in the outflow of the rural population in a number of oblasts. On the average for the republic, the number of mechanization experts calculated per farm has increased by 10 percent. For example, in the Dnepropetrovsk Oblast the volume of rural housing construction almost doubled during the 11th Five-Year Plan period. On the average, some 43 flats have been built on each farm, and more of the other types of production facilities and facilities designed for cultural and personal use have been built, and today the migratory flow to the cities has been checked in 17 to 20 rayons, even reversing itself in several of them. Construction of housing and social and cultural facilities is proceeding apace in the Donetsk, Kirovograd, Lvov, Poltava, Kharkov, Sumy and other oblasts.

On the whole, everything done to carry out the Food Program and the decisions of the May 1982 CPSU Central Committee Plenum has had a positive effect on growth in the production of output and on strengthening the kolkhoz and sovkhos economy. In 1983-1985, the volume of gross agricultural output increased by 9.8 percent compared to 1980-1982, and average annual potato, vegetable, fruit and berry purchases increased as well. Production and sales of livestock breeding output showed a particularly notable increase. Kolkhoz and sovkhos revenues increased, as did the profitability of agricultural production, and the number of unprofitable agricultural economies decreased. The production of foodstuffs made of raw agricultural materials has risen above the 1980 level with a 9.8 percent increase in granulated sugar from beets, 10 percent for confectionery items, oil from state raw materials resources by 10.9 percent, butter by 16.3 percent, whole milk products by 16.5 percent and canned fruits and vegetables by 16 percent. Deliveries of packaged goods increased considerably. The demand by the population of the republic for foodstuffs according to its calorific value is being met completely, and the catering structure has improved somewhat.

However, the goals set in the Food Program at the end of the last five-year plan period have not been achieved. There were major shortfalls in the grain, sugar beets, sunflowers, potatoes, vegetables, fruit and berries, meat and wool turned in to the State towards the plan. Reductions in production of agricultural output were even allowed in a number of agricultural economies, particularly in the Zaporozhye, Odessa, Khmelnytskyi and Chernigov oblasts.

This situation was brought about primarily by shortcomings in the manner in which the land was used, in the tractor and machinery park, in material and monetary resources as well as in the administration of the agro-industrial complex. As production volumes increased, the hurdles put up by the departments got higher, particularly where sectors overlapped, which led to deepening disproportions and to losses of output. Here, the style, leadership methods and the economic mechanism are in need of substantial improvement.

The 27th CPSU Congress conducted an in-depth analysis of the state of affairs in the economy's agrarian sector, defined the top priority tasks relative to the development of the agro-industrial complex, worked out a concept for improving the economic mechanism and outlined a system of major social and economic measures aimed at enriching and developing the party's present-day agrarian policy. Putting them into practice will provide a major turning point in the economic and organizational activity of the agro-industrial complex and in the improvement of the countryside's production relations.

The setting up of united administrative agencies in compliance with the CPSU Central Committee and the USSR Council of Ministers decree "Further Improvement of the Administration of the Agro-Industrial Complex" was a fundamental step on the path toward securing the planning, financing and administration of the agro-industrial complex as a unified whole on all levels. In the republic, UkSSR Gosagroprom, based on abolished ministries and departments, has been set up and has been made responsible for increasing production, for fulfilling the plans for purchases of agricultural products, for securing its complete well-being and qualitative reworking, for expanding the product array of foodstuffs and for supplying the population with food.

The scope and complexity of the work of the republic Gosagroprom is attested to, if only by virtue of the fact that it is in charge of the activities of 25 oblast agro-industrial committees and 479 rayon agro-industrial associations. There are 9,700 kolkhozes and sovkhoses, 2,040 inter-farm enterprises and organizations, 1,447 processing industry enterprises, 750 repair and maintenance enterprises, 479 construction organizations, 133 wholesale-retail associations and fruit and vegetable combines with a trade network and 180 scientific institutions. One-third of the republic's productive capital and manpower resources are concentrated here, and a total of R86 billion in output is produced here.

As a result of the setting up of UkSSR Gosagroprom, the republican administrative section has been reduced by 34 percent, the oblast section by 32 percent and the rayon section by 21 percent.

The policy has been followed which dictates the all-round consolidation of rayon agro-industrial associations into unified territorial administrative organizations. By virtue of the fact that they possess real rights with regard to planning, they have every lever at their disposal with which they can achieve balance, proportionality and can enhance integration and cooperation in production.

The meat- and milk-processing sovkhoses, associations and enterprises, the canning and repair plants, the trade and procurement organizations, the rayon organizations for agricultural production and technical maintenance and certain others which had earlier been directly subordinated to the ministries and departments have now been put under the management of oblast agroindustries and RAPO's [District Agro-Industrial Associations]. At the same time, the associations and trusts, the scientific research, planning and production-planning institutions, the computing centers, laboratories, the secondary educational institutions as well as the network of training-course

institutions which put our unified scientific and technical policy into practice have been left under the management of UkSSR Gosagroprom.

The formation of Gosagroprom predetermined the basic directions for the formation of a united rural engineering service. Transport maintenance enterprises have been set up within all RAPO's. The main points of their work must be connected with the interests of production, and with providing excellent final results.

At the present time, based on certification, optimization of the numbers and structure of the machinery and tractor fleet is in progress everywhere, as is the refinement of a general plan for developing a material and technical base for the repair and preservation of equipment. In this connection, the creation of reliable conditions for highly-productive work on the part of the mechanization experts is being emphasized. As shown by the experience of a number of the agricultural economies of the Voroshilovgrad, Vinnitsa, Lvov and other oblasts, this makes it possible to set apart 20-30 percent of the equipment for use as back-up.

The setting up of the material and technical supply service has been completed, and the procedure for providing the agricultural facilities with resources and spare parts by product has been determined. Some R25 million worth of additional production has been set up for the supplementary production of scarce machinery, mechanisms and spare parts. This year, in an outstripping of the plan, equipment is being delivered to kolkhozes and sovkhoses, needed reserves of spare parts and repair materials have been put together, and the quality of the equipment being delivered is being controlled. A program for more completely meeting the demand for packing and packing materials is being implemented.

Ukragrostroy [Ukrainian Agricultural Construction], a republican and state cooperative association, is presently involved in capital construction, and in the oblasts there are oblagrostroy [oblast agricultural construction associations], which have been set up based on abolished inter-kolkhoz construction associations and agricultural construction trusts. Starting in 1987, all indicators for the capital construction plan will be determined by the sovkhoses and other state enterprises and organizations themselves, within the limits of the capital investments and the construction and installation jobs which are allocated to them, and the same for the kolkhozes, with consideration for the limits provided to them, and the provided material and technical resources.

The expanded rights of the managers and specialists of economies, industrial enterprises, RAPO's and oblast agricultural industrial associations simplifies the organization of construction, reduces the time needed for agreeing and simultaneously increases their responsibility for concentrating capital investments in priority directions, for carrying out a unified technical policy in planning and for strict observation of progressive norms. The Ukrniagropyekt republican state cooperative planning, surveying and scientific research association has been set up to further raise the scientific and technical level and the economic substantiation of the planned

developments, and to eliminate parallelism within the 75 different planning organizations.

Gosagroprom and its local organs are implementing all the organizational and economic measures aimed at improving the effectiveness of capital construction, the volumes of which have been increasing, according to all financial sources, by 9.4 percent during the 12th Five-Year Plan period. The allocation of funds for technical re-equipping and reconstruction of operating productions is being increased: their share in production construction comes to 38.4 percent against 26.3 percent during the 11th Five-Year Plan period. New construction volumes have been reduced by 31 percent. The proportion of funds allocated for construction and installation jobs within the overall volume of capital investments is to be reduced from 52.7 percent during 1981-1985 to 49.1 percent during the current five-year plan period. Investments in the non-productive areas are being increased by one-third compared to their 11th Five-Year Plan period level. These changes in the direction of capital investments meet the basic requirements of the party's investment policy.

The administrative structure which has been formed, as shown in practice, has no doubt justified itself. However, not only its positive sides but its individual discrepancies are already being looked over very closely today. It is in need of certain changes, for example, the administration of the motor vehicle transport enterprises. The subordination of the construction organizations needs to be brought into order and clarified, and customer service needs some improving. There are problems in the food industry and other sectors whose enterprises continue to remain in a state of dual subordination.

The efforts of the board and the entire Gosagroprom staff have been concentrated on detecting and eliminating shortcomings and structural defects, and on solving any problems which come up in order to work out a flexible and differentiated approach to the administration of APK sectors, to totally eliminate the previously established sectorial isolation, departmental limitedness and undemocratic administration, and to create conditions conducive to more effective activity on the part of all sectors of the APK.

It is very important that this organizational restructuring result in solutions to the unavoidable and fundamental problems of improving the economic mechanism in the agro-industrial complex. The CPSU Central Committee and Council of Ministers decree "Further Improvement of the Economic Management Mechanism in the Country's Agro-Industrial Complex" outlines concrete measures which are aimed at the more extensive use of economic methods, the rational combination of centralized and territorial principles in planning and administration and the increase of material motivation and responsibility on the part of those persons who work in the agro-industrial complex to achieve excellent final results.

The basic link in improving the economic mechanism has to be the changeover to planning on a normative basis with consideration for the resource potential. The republic has developed a system of methods for planning which takes the economic evaluation of land into account, as well as the capability of providing manpower resources and productive capital. Its approval in the

Dnepropetrovsk and Kiev oblasts has shown that the normative method makes it possible to determine equally strenuous assignments for the economies and increases their independence in finding solutions to the basic problems of development, and on the strength of this, has been found to be an important factor for stimulation. Its introduction in the Vladimir-Volyn rayon of the Volyn Oblast, which in the last few years has become one of our leading areas, produced excellent results.

A plan based on the normative method for the economic and social development of the republic's agro-industrial complex for 1986-1990 has been drawn up and is being put into effect. Plans for grain, sugarbeets and sunflower seed purchases, which will remain stable for years, have been established for the oblasts on the level of the 1986 plan, and for the remaining types of output there are plans which will be fixed for years, and which concern their being put into the union and republican fund. The rayons and economies have also been prescribed plans, fixed for years, for output purchases.

All this gives radically new content to the economic mechanism and makes it possible to stimulate the development of initiative, and enhances the validity and the reality of the plans to raise the responsibility of the managers of economies, enterprises and organizations. These principles have been made the basis for defining the goals of the 12th Five-Year Plan period and must no doubt impart the economy's agrarian sector with a powerful urge toward acceleration.

In imparting a great deal of significance to cost accounting as the primary lever of the new economic mechanism, the administrative organs of the APK are making a purposeful effort to change all the republic's kolkhozes and sovkhoses over to self-repayment and self-financing. At present, more than 92 percent are operating at a profit, and of them every tenth one has a profit margin of over 30 percent and is operating on the principles of self-financing. At the same time, some of the kolkhozes and sovkhoses remain at low profitability levels. Responsible Gosagroprom and oblast agro-industrial committee workers have been assigned to each of them, as have scientists from the scientific research institutions who assist the economies' managers and specialists in overcoming the lag.

The successful transition of the kolkhozes and sovkhoses to self-repayment and self-financing will be helped along by the new conditions for stimulating the overfulfillment of the plan for sales to a level of output above the median level achieved during the 11th Five-Year Plan period. Calculations show that when purchasing agricultural products at the 1985 level, the republic's economies can obtain about R90 million extra in the form of surcharges for grain alone, not to mention the fact that the 50 percent markups on prices are to be retained. Contingent counter-delivery of scarce industrial commodities, concentrated feeds, oilcake and oil seed amounting to some 210,000 t per year is being introduced.

Earnings of kolkhozes and sovkhoses from sales at the consumer's cooperative and at the kolkhoz markets of up to 30 percent of their potatoes, fruits and vegetables have increased substantially, for which they receive credit toward fulfilling the plans for state purchases. According to specialists'

calculations, additional proceeds earned in this way could amount to approximately R400 million this year.

Judging by the scope and depth of their effect, all these measures make a stable basis for heightening the motivation of the kolkhozes, sovkhozes and other APK enterprises towards boosting the production of output and improving its quality.

In order to make full use of the new economic opportunities and the changeover of the agricultural economies to self-repayment we will now be required to change all the lower-level production subdivisions over to genuine cost accounting with a check system of keeping account of outlays, and to a collective contract system. By the beginning of 1986, 51 percent of the production links growing agricultural crops on 68.1 percent of the arable land were working on collective contracts, and were serving about 40 percent of the total head of cattle and hogs. In 1985, 56 percent of the entire gross agricultural output was produced by contract collectives. The labor productivity for the crops industry was 1.6-fold greater, and 1.3-fold greater for the livestock-breeding industry in these subdivisions than for those using regular forms of labor organization and wages.

During the current five-year plan period no less than 90 percent of agricultural production subdivisions will be working on collective contracts, with only 60 percent and 70 percent in industry and construction doing so.

The integral-process, or multi-skill contract, wherein farm managers and specialists will, in the course of a year, receive an advance payment amounting to 80 percent of their salaries and a supplementary payment for output at the end of the year, will be used more widely. At present, this form of wage payment has been introduced in 20 percent of the republic's economies. The shop structure for production control is being universally disseminated (at present it has been introduced at 16 percent of the economies) as has the check procedure for cross-accounting.

Depending on the final results, a wage has also been set up for RAPO and oblast agro-industrial committee specialists. Individual main administrations and UkSSR Gosagroprom administrations of material and technical supply, of meat production in special economies, of poultry products production etc. have been changed over to the cost accounting system. Cost accounting will cut down on the labor of all APK subdivisions and will become the master link in the anti-outlay mechanism.

In dealing with the tasks outlined for the 12th Five-Year Plan period, intensification of public production through acceleration of scientific and technical progress will play a crucial role. Agrokompleks, a goal-oriented integrated program, has been developed and is being implemented in the republic. This program includes 9 subprograms for the basic sectors and 292 assignments for science and production. Some R8.4 billion are to be laid out for implementing achievements of scientific and technical progress. This will make possible the conditional freeing of about 400,000 persons working in agriculture, 40,000 working in industry and over 5,000 persons working in construction, for other duties.

The full-scale mechanization of production processes and those used in the processing of the output of crop cultivation and animal breeding sectors is slated to be basically completed by the end of the current five-year plan period. Considerable strides were made in this direction in the course of the last five-year plan period. However, the zonal system for machinery has been realized for farm machinery by only 72 percent overall, and by only 62 percent for livestock breeding. The quality and reliability of equipment remains poor while its cost increases. There is a severe shortage of machines needed for the full-scale mechanization of production processes in feed production, vegetable growing, market gardening, viticulture and livestock breeding. All of this is the cause of the growth in the output-capital ratio and the prime production cost, the poor effectiveness of equipment utilization, the disruption of deadlines and the worsening quality of the field work being done.

The acceleration of scientific and technical progress is connected first of all to bringing about improvements in the work of the APK's scientific research institutions and planning organizations. In fact, during the 11th Five-Year Plan period, over 60 percent of the completed scientific developments failed to be accepted for implementation because of their technical incompleteness and their poor consideration of the soil and climatic conditions and the production conditions of the economies. The agrarian science administration needs to be brought into a state of order. In consideration of the criticism expressed at the 27th Ukrainian Party Congress, concrete measures are being taken to rectify this situation.

Life has shown us convincingly that in order to overcome the divergence of science from practice, we should proceed boldly in setting up scientific production associations (NPO's), and change our scientific research institutes and experimental stations over to cost accounting.

We have already set up 19 NPO's inside the republic, including 13 Elita associations, formed after the example of the oblast agricultural experimental stations. Future plans call for these associations to be set up in all 25 oblasts. Going by the experience of the UkSSR Academy of Sciences, the technical centers will be further developed, as will the scientific-production and production systems which ensure the development and introduction of intensive production methods used in raising agricultural crops.

The first strides towards this restructuring already attest to the fact that during the 12th Five-Year Plan an economic mechanism has come along which foreordains the mutually-interrelated, balanced and completely functioning groups of sectors which process raw agricultural materials and produce finished products, which mechanism is to replace the one based on isolation of individual sectors. Within the republic's APK, cereal-products, sugar-beet, vegetable oil and fat, fruit- and vegetable-canning, livestock-breeding industry and other subcomplexes have been formed and are in operation.

The cereal-products subcomplex, which has its basis in the grain economy and the processing of its products, occupies a leading position in the republic's agro-industrial complex. The republic's grain production needs to reach 52-54

million t by the end of the current five-year plan period, or to increase by 33-37 percent against the volume of the last five-year plan period and to increase the yield of grain crops to 33 quintals/hectare. The main thing is that scientifically substantiated farming systems with consideration for the soil and climatic peculiarities of every agricultural facility be universally introduced. In so doing, top priority attention is given to improving soil fertility. Bare fallow areas are being stabilized. Pea and bean crop areas are being increased by 20 percent, and perennial forage plant areas by 28 percent against the previous level. Completion is due on the transition from the rectilinear to the contour-reclamation organization of the territories of the economies, this being based on working plans for raising agricultural crops and the development of intensive crop rotation with shorter rotation periods. In order to eliminate the imbalance in nourishing substances and the disruption of the soil structure, there are plans to increase the application of organic fertilizers averaging 19 percent per acre of arable land, with 36 percent under grain crops. The primary increase in mineral fertilizers will be used for grain crops with a simultaneous 30-40 percent expansion in chemically reclaimed area where the soils were formerly saline and have high acidity. Technically combined operations will increase, as will the use of flat cutters and other anti-erosion implements, and the use of highly-effective herbicides.

Realization of the long-term program for reclamation of, and improved efficiency in the utilization of reclaimed lands has been called upon to play a crucial role in ensuring the stable production of agricultural products. The highest yield crop in the irrigated zone is corn, and that is why the proportion of this crop in the crop structure of all grain crops is being increased here to 45 percent. Thanks to the development of high-yield early- and mid-season-ripening hybrids, we are seeing a marked increase of corn sown for grain in the republic's western and polessie oblasts. Overall plans call for bringing the yearly gross harvest of corn up to 10-12 million tons.

And all the same, the key to success lies in the extensive use of those intensive production methods which produce an enormous effect. The experience of recent years shows conclusively that with high-caliber farming and competent use of mineral fertilizers and plant protection methods in practically any zone of the republic in fields where intensive production methods are used, the corn harvest can be boosted by as much as 15-17 quintals/hectare and more. Even during this year's complicated weather conditions the yield of winter grain crops which were farmed with intensive production methods produced an average for the republic of 38.4 quintals/hectare, or 14 quintals/hectare higher than in those fields where regular production methods were used. And this difference exceeded 18 quintals/hectare in the Ivano-Frankovsk and Khmel'nitskiy oblasts. Many economies obtained even more substantial harvests. For example, the grain-growers of the Ukraina Kolkhoz in the Chemerovetskiy Rayon (Khmel'nitskiy Oblast) harvested 74.5 quintals of winter wheat from each of 565 hectares, and at the Kolkhoz imeni Ilich, in the same rayon, the yield amounted to 75.4 quintals from each of 450 hectares. Overall for the republic the mastering of intensive production methods has made it possible to bring in an additional 4.4 million t. The quality of the grain has improved substantially. The plan for purchases of strong varieties and other valuable grades of wheat has been

and vegetable, and potato storage facilities will be increased to 2 million t, or by 350,000 t compared to our present capacities.

Some 16 potato- and vegetable-cleaning shops are to be built by the end of this five-year plan period. This will solve the problem of providing the republic's public catering facilities with cleaned potato and vegetable half-finished products.

Particular emphasis is being given to improving the quality of the containers and packing used for fruit and vegetable products, to the introduction of container and other progressive transport methods and the expansion of the capacities for processing and storage of fruit and vegetable products right in the kolkhozes, sovkhoses and consumer cooperative enterprises.

In making use of the right which has been granted to sell fruit and vegetable products at kolkhoz markets, many of the agricultural economies of the Odessa, Donetsk, Dnepropetrovsk, Zaporozhye, Kiev and other oblasts have already opened their own company stores in the cities, which greatly supplements trade resources and lowers prices.

The toughest problems connected with realizing the Food Program are connected with the continued intensification of livestock production. By 1990, meat production is slated to increase by 33-36 percent, which will bring it up to 4.9 or 5 million t (dressed weight), with milk production raised by 12-14 percent, or by 24.5-25 million t respectively. And there is only one way to bring this about: by increasing the productivity of livestock and poultry through outstripping development of the feed base and by improving the selection and breeding operations.

The republic turns over 66 percent of its annual grain yield for livestock feed, however the share of this grain which comes from forage crops amounts only to 46 percent, and from pea and bean crops--only 7 percent. As a result, a considerable quantity of wheat--of little value for feed, and of great value for food--is being consumed. In order to overcome this tendency, a program for intensifying the production of fodder in our fields and meadows has been developed and is being implemented. This program calls for a sharp increase in the production of coarse and succulent fodder by 1990, for improvement in their quality and for improvement in the make-up of the grainforage by increasing the proportion of bean crop grains in it. Overall feed production will increase to 113 billion feed units, or by 15 percent against its average annual level during the 11th Five-Year Plan period.

In connection with the fact that it does not seem possible to increase the area planted in fodder crops, there are plans to provide a fundamental increase in fodder through improvements in the make-up of the plantings, increases in the yield and reductions in output losses. The share of plantings of perennial grasses in the fodder-sowing area is to be brought up to 48-50 percent. The area planted in peas and other bean and pea crops will increase by 28 percent. Plantings of soybean, rape and other valuable oil-bearing crops will be increased.

In order to improve silage quality, plantings of corn sown prior to plantings of winter crops will consist of early-ripening hybrids and will be planted close to bean crops over a 1.4 million hectare area. Plantings of fodder crops on reclaimed lands are to be expanded to 2 million hectares.

In the course of the current five-year plan period the volumes of hay made using the active ventilation method will increase almost 2-fold, and 1.6-fold by the baling press method. We are seeing a universal increase in the volumes of hay treated with anhydrous ammonia, and in the use of chemical and biological preservation of high-moisture fodders. The setting up of laboratories for determining feed quality will be basically completed. Based on the experience of the Dnepropetrovsk, Kirovograd, Vinnitsa and Ternopol oblasts, construction of hay-storage and root crop-storage facilities will be expanded with the help of those cities' industrial enterprises.

Production of microbiological protein is to be doubled, wastes from the processing industry are to be used more rationally through the use of waste-free production methods, and there are plans as well to boost production of meat-and-bone meal and other protein additives at state and inter-farm combined fodder enterprises.

As the result of having increased the capacities of state and inter-farm combined fodder plants, the republic processed 38 percent of its grainforage into fodder in 1985. During this five-year plan, this indicator will be brought up to 70-80 percent. In order to attain this figure, we plan to set up an additional 1,320 small-scale plants in individual economies, thus cutting our costs for hauling and storage of grain and combined fodders. Today there are already 250 of these highly-efficient plants operating in the Kharkov Oblast.

Efforts to separate feed production into an independent sector and change its production subdivisions over to collective contract work are to be completed in upcoming years. The provision of livestock and poultry with full-value feeds will become the basis for continued growth in the production and sale of livestock-breeding output.

Meat deliveries should continue to increase, than-- imarily to beef, the production of which will increase by 25.8 percent.

The existing genetic potential of cattle makes it possible at full feed to increase the average daily live weight of one head of young steer over the entire raising and fattening period by no less than 450-500 grams, and over the fattening period by as much as 600-700 grams per day, and increase the average turn-in live weight per single head of cattle by as much as 400 kg. The reality of the outlined limits corroborates the experience of cattle breeders in the Cherkassy Oblast, where the average turn-in weight per head of cattle during the last five-year plan period was 424 kg, and beef sales volumes increased by one-third against the 10th Five-Year Plan Period level.

The task has also been set of considerably increasing pork production, the main methods of which are still by improving the effectiveness of the work of the specialized economies and the reconstruction and modernization of the

fulfilled by 165 percent. The share of this grain in total volumes of state purchases amounted to 41 percent.

In 1987 the economies will be farming 7 million hectares of grain crops using intensive production methods, and this includes 4.5 million hectares of winter grain crops and 2.2 million hectares of corn. As this happens, the winter wheat yield is slated to be brought up to 40 quintals/hectare and corn up to 50-60 quintals/hectare. By the end of this five-year plan period, the area to be farmed in corn with intensive production methods will amount to 8.5 million hectares, or 52 percent of the entire area planted in these crops.

Completion of the setting up of the material and technical seed-growing base is contemplated. This, along with the mastery of progressive selection methods will allow a 3-4 year reduction in the deadlines for farming with new seed strains and will accelerate their being put into production.

The technical re-equipping of 45 grain elevators still remains to be carried out, as does the renovation of 6,400 grain driers. Progressive methods of loading and unloading grain are to be used more extensively, and this will make it possible to procure grain in less time and to ensure the complete safety of the grain. It will also ensure the qualitative processing and delivery of grain products to the population.

Particular emphasis will be given to intensifying the sugar beet subcomplex. The annual total sugar beet yield needs to be increased by 22.8 percent during the 12th Five-Year Plan period, thus bringing the yield up to 53-55 million t, and the yield of sugar up to 5.7 million t. In this connection, measures are being taken to make use of our reserves to increasing the sugar beet harvest to 317 quintals/hectare, and for increasing the sugar output calculated at 33.5 quintals per hectare.

The main way to achieve these goals is by improving the effectiveness with which the intensive production methods are used and by putting new strains and hybrids of sugar beets into production which, along with a high productivity potential, still have a high sugar content, and are more resistant to bolting, and to the more widespread diseases and stressful conditions.

The experiment in handling sugar beet production in the Yampolskiy Rayon of the Vinnitsa Oblast, which has been approved by the CPSU Central Committee, is to be used everywhere, as is the experiment, approved by the Ukrainian Communist Party Central Committee, in growing consistently large harvests of beets in the Zhashkovskiy Rayon of the Cherkassy Oblast, especially in the section headed by two-time Hero of Socialist Labor Ye. N. Parubka. The machine operators in this section work on an unregulated contract and every year they bring in over 500-550 quintals of sugar beets per hectare at labor outlays (calculated per quintal) of 0.17 man/hours and materials and monetary outlays of R 1.48.

The use of new and modernized beet-harvesting combines in the republic's fields and the introduction of flow-line and other progressive sugar beet harvesting methods are expected to have a great impact on this work.

The expansion of production of high-quality monogerm [odnorostkovyy] seed by the non-transplant method in the irrigated areas of the southern oblasts is considered to be of great import. These and other measures will make it possible during this five-year plan period to change completely over to sowing with incrustated, genetically monogerm seed. Intensive production methods will be applied in 90 percent of the economy's sugar beet planting area.

In order to eliminate losses of sugar, there are plans to sharply expand the use of progressive methods for storing raw sugar beets and to reduce their processing time from 112 days in 1985 to 96 days in 1990. With this as the objective, there is a planned increase of 613,200 quintals in the production capacities of the sugar refinery and in the daily output of processed sugar beets, by 460,700 quintals, to be carried out through reconstruction and modernization. At the same time, the problem of finding a way to more effectively use sugar industry wastes, primarily pulp, in which up to 40 percent of the nutritive substances are now lost during storage and processing, has been solved.

The butter-making and fat subcomplex, the basis of which is the production of sunflower seed oil and other oil-producing crops, is to undergo further development. A 26 percent increase in sunflower seed production, bringing it up to 2.9 million t, is to come about by 1990. To this end, the area to be planted in this crop, and farmed by intensive production methods, will be increased 2.8-fold and will amount to 1.4 million hectares. This, along with the extensive introduction of high-yield disease-resistant hybrids, will raise the yield to 19.5 quintals/hectare. In the western areas of the republic, production has been initiated of oil-bearing rape, which will yield 210-230,000 t.

In order to improve the processing of oil-bearing crops, the oil mills are to be renovated, thus increasing production capacities by 22 percent. Here, maximal growth is contemplated in oil-seed processing at the extraction plants where the yield of finished product per t of raw materials is 3-4 percent higher than at the press plants.

Vegetable, fruit, berry and grape production and processing play a major part in the republic's food complex. The gross yield of vegetables and melons is slated to increase by 15 percent by 1990 against its average annual level for the 11th Five-Year Plan period, the yield of fruits and berries by 44 percent, and that of grapes by 41 percent. Potato production is to be stabilized at its 11th Five-Year Plan period level. Canned fruit and vegetable production is to increase by 25 percent, that of dried fruits and dehydrated vegetables by 1.5--1.9-fold, and that of quick-frozen fruits, berries and vegetables 2.8-fold. In connection with the reduction in the output of wine and vodka products, the share of dried and processed grapes in the total gross yield amounts to 52 percent against 15 percent for the last five-year plan period.

In order to reduce losses, the sale of output is being changed over to direct "field-to-store" links and other progressive methods. By using these methods, the volume of output purchases will grow from 750,000 t in 1985 to 4 million t in 1990. Within the trade network, the holding capacity of our modern fruit

kolkhoz and sovkhoz pig departments so as to master techniques of industrial production methods and the flow-line production system. By the end of this five-year plan period, pork production in the specialized economies will increase by 40-50 percent and will comprise no less than 70 percent of the republic's total pork production. Poultry meat raising, sheep farming and rabbit farming are to undergo further development, and the cultivation and catching of fish will increase.

Measures are being taken to complete the transition to the centralized exporting of livestock from the economies to the meat combines, to improve the organization of these deliveries and to reduce the costs of these operations. The productive capacities of the meat-processing enterprises are to be increased by 1,064 t per day, and this includes an increase of 500 t through technical re-equipping and reconstruction. The portion of outlays for mechanization and automation of production processes, for utilization of waste products and also for environmental protection is to increase substantially. Production of packed meat products will increase 2.2-fold.

An expansion in the network of slaughterhouses in the form of meat combine affiliates is contemplated. This will cut losses and improve the provision of meat products to the local population.

In order to achieve planned milk production volumes we need to increase the total per-cow milk yield by as much as 3,000 kg, i.e., to provide a yearly increase from them of 60-100 kg each while stabilizing the number of the cattle-stock. This goal was achieved during the 11th Five-Year Plan period in the Crimean, Lvov and Chernovtsy oblasts and in 48 rayons of other oblasts, and the number of economies surpassing it doubled, coming to 2,341.

The turnaround to intensive methods of managing dairy-cattle-raising operations, now underway, requires the total utilization of the tremendous potentialities of the flow-line shop system of milk production. Right now in the republic, almost two-thirds of the cattle stock of dairy cows has been changed over to the flow-line shop system, and by 1990 this system will be introduced at all dairy farms having cattle stocks of over 300 head. Laboratories are being set up at each farm for herd reproduction, and concrete measures are being taken for the widespread use of the Seleks system for mechanized processing of the data from the breeding and zootechnical records.

By intensive selection of dairy cows and complex reproductive crossing of local stock with Holstein-Friesland, Ayrshire, Montbeliard, Angler and Red Danish stock, we are improving the genetic potential of the milking herd.

The dairy cattle breeding sector will be using the zygote transplantation method to accelerate the production of highly-productive cattle. Five laboratories are already working on this problem. According to the calculations of specialists, intensive development of the dairy breeding sector will not only ensure the fulfilling of outlined plans, but will also ensure a 20-22 percent increase in labor productivity, will increase the rates for feed products by 5-8 percent and will reduce prime production costs by 5-6 percent.

The dairy industry will undergo further development. Plans call for an increase in the productive capacities of dairy plants so that they will be able to process 3,051 t more milk per day than at present. The sector's technical re-equipping will be based on the introduction of integrated mechanized meat and cheese production lines, automated production lines for whole milk products and flow-line mechanized production lines for processing cottage cheese and other products. Expansion is underway with regard to the integrated processing of raw milk through the introduction of waste-free production methods. Bulk, container and pallet shipping volumes will increase 2-fold.

By the end of 1990, work should be completed on the complete transition to the receiving of milk right in the economies and shipping it to the dairy plants via the purchasers' transport equipment. The carrying out of these and a number of other measures will help to improve milk quality and will bring sales of top-grade milk to the state up to no less than 93 percent of the total volume sold, including up to 75 percent of the refrigerated milk.

Estimates show that improvements in milk utilization is no less important than increases in the milk yield. Thus by improving its nutritional and biological value, savings in milk butter will be effected in milk equivalent of base fat content of 15.8 million t, which is equivalent to the production of an additional 790,000 t of butter.

Along with the more complete utilization of the potentialities of the kolkhozes and sovkhozes, there are plans to continue to further, by all means possible, the development of the subsidiary rural farms of the enterprises, organizations and institutions, and the personal subsidiary plots of the population. Farms and plots in this category will, in the next 2 years, be completely provided with young cattle stock and poultry on contractual bases. Volumes of grainforage, and coarse and succulent forage allocated to these farms and plots are to be increased. Purchases of surplus output from the population will increase: of milk and meat--1.4-1.5-fold, and of vegetables--1.5-1.7-fold.

The widespread dissemination of the experience of Voroshilovgrad Oblast enterprise and organization collectives, approved by the CPSU Central Committee and the Communist Party Central Committee of the Ukraine is playing a major part in boosting the production of food commodities through the use of optimal utilization of local resources and existing production capacities, of full outfitting of shops with the necessary equipment, manufactured on a patronage basis by enterprises of the machine-building, chemical and coal industries. This will make it possible basically to meet the population's demand for many of the of food products which are produced in inadequate volumes or are exported.

Thus, the characteristic features of the 12th Five-Year Plan period consist in the fact that the intensification and increase in the rates at which the republic's APK is developed must be achieved primarily by radically improving the utilization of already extant production and scientific potential, by reorienting our investment policy, expanding our product array and improving

our output quality, and by sharply curtailing losses. The stirring up of the human factor is considered exceptionally important.

Today there are about 800,000 specialists working in the agro-industrial complex. More than 97 percent of sovkhoz directors and 80 percent of kolkhoz chairmen, and the absolute majority of the managers of processing industry enterprises and the enterprises and organizations which serve agriculture, have a higher special education. The high-quality staff of directors and specialists in the mid-level sections, as well as the labor force of the mass occupations, has undergone marked improvement in recent years.

It is common knowledge that the success of an affair depends on how completely our labor force masters new administrative methods. By and large, the process of restructuring, of perfecting style and of searching for new working procedures is underway everywhere, as difficult as it is. The inertia of chronic habits and a congealed mindset still makes itself felt. A summary of the working experience of the APK's administrative organs in the Center and locally shows that far from all managers and specialists understand the objectives and problems of restructuring, and especially the procedures and methods by which it is accomplished in practically fashion. In this connection, UkSSR Gosagroprom is putting day-to-day emphasis on the economic and legal training and retraining of all employees of the administrative staff, with no exceptions and on the increasing responsibility among the labor force for the organization of affairs, the utilization of resources and the unequivocal fulfillment of plans and the socialist obligations taken on by them.

A higher APK administrative school has been organized and has begun to operate within the republic. This year, all RAPO chairmen and their deputies for each farm have already undergone training here. Departments for raising skill levels continue to operate in affiliation with agricultural and other VUZ's. Oblast administrative schools have been organized in all oblasts, where not only managers and specialists are educated, but a reserve of substitutes for them as well. Using oblast experimental stations, scientific research institutes and leading agricultural facilities, the labor force is being retrained with no break in production. Every year, about 100,000 farm managers and specialists and almost the entire labor force of the mass occupations are being retrained. The depth of their knowledge and the quality of their retraining will be graded by the final results which, as is well known, are not free gifts of nature, but the result of the ability of the labor force to concentrate their efforts on the main, top priority directions for intensifying production.

Attention is constantly being centered on creating the conditions necessary for highly-productive labor from and rest for the APK workers. By 1990, the level of integrated mechanization of the farms will be increased up to 70-90 percent, the farming of grain crops up to 100 percent, sugar beet cultivation up to 90 percent and vegetables up to 70 percent. The share of labor done by hand in the processing enterprises will be considerably reduced.

During the 12th Five-Year Plan period, some 5.74 billion, or 33 percent more than during the last five-year plan period will be spent on non-production-

related construction in the APK, primarily on the social transformation of the villages. Housing in the amount of 25 million square m is to be made available, as are 144,000 places of children's preschool facilities, 198,300 students' places in general education facilities and 204,000 places' worth of club space, and 3,068 km of water lines and 11,500 km of gas pipelines will be laid. More sanatoria, boarding houses, holiday homes, preventive clinics and pioneer camps will be built.

For the purposes of economizing on the time spent by specialists in gathering and preparing information and making analysis-related inquiries, work is continuing on reducing the amount of reporting and on improving the manner in which computers are utilized. Today the UkSSR Gosagroprom already has over 100 computers as well as over 4,000 automatic electronic calculating machines. During this five-year plan, about an additional 2,000 personal computers will begin to be used by specialists.

The system of major social and economic measures outlined by the 27th Party Congress requires an energetic working style, the creation of conditions for the widespread use of economic methods of administration and increased independence for enterprises and organizations. The republic's State Agro-Industrial Committee and its local organs have turned resolutely away from the practices of petty patronage and secret replacement of farm managers and specialists. This has shown up in everything--from the drawing up of plans to shifting the center of gravity of the entire organizational effort directly to the economies and the enterprises.

In response to the appeal of the CPSU Central Committee to the laborers of the Soviet Union to make the 12th Five-Year Plan period a turning point, the labor collectives of the agro-industrial complex are multiplying their efforts to carry out the Food Program, to do everything possible to accelerate the country's social and economic development and to bring to fruition the historic plans of the 27th Party Congress.

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AGRO-ECONOMICS, POLICY, ORGANIZATION

VASKhNIL'S NIKONOV INTERVIEWED ON STRENGTHENING APK

Moscow PRAVDA in Russian 24 Dec 86 p 2

[Interview with Aleksandr Aleksandrovich Nikonov, academician and president of VASKhNIL [All-Union Academy of Agricultural Sciences imeni V. I. Lenin] by O. Stepanenko, PRAVDA correspondent: "A Formula for Acceleration: VASKhNIL President and Academician A. Nikonov Answers This Newspaper's Questions", date and place not specified; first paragraph is source introduction]

[Text] The CC CPSU recently adopted a decree concerning certain measures aimed at increasing labor productivity in agriculture through the introduction of rational procedures for its organization and through cost accounting. This is still another important step in the restructuring of the agrarian sector. Our correspondent met with President of the All-Union Academy of Agricultural Sciences imeni V. I. Lenin and Academician A. Nikonov and asked him to answer a number of questions connected with strengthening the rural economy.

[Question] Aleksandr Aleksandrovich, the key to further production growth and acceleration in the social and economic development of the agro-industrial complex lies in increasing the productivity of agricultural labor. What do you have to say in this regard?

[Answer] Not only agricultural labor. Marx wrote: "The productivity of agricultural labor, which transcends the individual needs of the worker, comprises the basis of all of society." Think it over: the basis, the foundation of society! Unfortunately this most important political and economic premise has, frankly speaking, been forgotten within a fixed period of time. They failed to take this premise into consideration, or gave it only partial consideration in the process of developing an economic and socio-economic strategy and this, naturally, did a great deal of harm to society.

At present, serious measures have been adopted for the restructuring and strengthening of the agro-industrial complex. They include the recent decree of the CC CPSU which stipulates an increase in labor productivity in agriculture.

[Question] As far as I know, VASKhNIL has recently been studying this problem. And they have arrived at the conclusion that among the many ways for increasing labor productivity in our rural areas at the present time, the

primary and most effective method would be the introduction of rational procedures for its organization, and cost accounting. Why?

[Answer] Life itself forced this conclusion to be drawn. Anyone who is familiar with the economy is aware that it is no easy matter to increase the rates of a sector as complex as agriculture. I would call it the most complex matter of all. There are hundreds and thousands of factors at work here--productive and economic, social, even biological. We have burnt our fingers more than once by planning huge leaps and increases. But there is something else that is well known here. There have been in the history of the Soviet state which were characterized by high growth rates in production. I recall the period of transition from the requisitioning of grain by force to taxation in kind and the subsequent utilization of the Leninist ideas of cooperation. From 1922 through 1928, the volume of gross agricultural output almost doubled, and we had an annual growth rate of 10 percent. And after the September 1953 CC CPSU Plenum? Throughout the five-year plan the average annual growth rate was 6 percent. Our agriculture also developed at a notably accelerated pace for a number of years after the March 1965 CC CPSU Plenum. An upswing was also noted following the May 1982 and the April 1985 CC CPSU Plenums.

Analysis shows that production growth has been provided with strengthening of the material and technical base primarily through considerable changes in the economic mechanism, and by taking the human factor into account.

Many of the major problems associated with the economic stimulation of the kolkhozes and sovkhozes have recently been solved. However, material incentives for man and his labor in agriculture still suffer from great shortcomings. There are many shackles here--obsolete regulations and norms which repress initiative.

We have seen it: in places where cost-accounting relations have been assimilated, and the collective contract has been introduced, not on a formalist basis, but in fact, the situation is altogether different. The machine operators, livestock breeders and other workers have a personal interest in the results of their work, and their labor-related activity increases. This is where you see intensive production methods more quickly introduced and mastered in better fashion. All of this, as the CC CPSU decree notes, has a great effect on improving the efficiency of social production.

[Question] Couldn't you illustrate the extent of this effect with a couple of examples?

[Answer] Certainly. At the Stavropol Kray's Kazminskiy Kolkhoz, the chairman of which is Hero of Socialist Labor A. Shumskiy, all the subdivisions work on a cost-accounting and collective contract basis. The results, I'll tell you, for that unstable and, to be more precise, risky farming area, are above average. Right now, for example, having adopted intensive production methods, they have brought in 50 percent of the grain from each hectare. The total prime farming production cost calculated per machine operator, and expressing, properly, his labor productivity, comes to R83,000, several times higher than for the country and the region.

Another example. In the Kochkovskoye Experimental Economy section headed by D. Gyunter and located in the Novosibirsk Oblast, and which works on the cost-accounting contract, there are some 280 t of grain produced per machine operator and over 20 t of meat, and the entire output is brought in for R89,000. They bring in 500-700 t of grain per person in a number of cost-accounting links in Siberia and Northern Kazakhstan. Direct labor outlays per quintal of grain are 20 to 12 percent lower in these collectives than the average for the country.

Obviously the advantages are incontestable. And this is precisely why the CC CPSU decree calls for these urgent measures for increasing labor productivity--cost accounting and the collective contract--to be implemented extensively in all links of agricultural production, and for this to be done in tandem with progressive production methods. A systematic and thoroughgoing approach such as this sets up reliable prerequisites for successful work.

[Question] It is commonly held that of the various forms of the collective contract, the brigades and links with the fewest numbers of members have done better. Where do you think their advantages lie?

[Answer] Oleg Kazachka's cost-accounting contract link works at the Lyubanskaya Experimental Base in Belorussia. It is made up of two machine operators and two auxiliary workers. And the link brings in an average of 500 to 520 quintals of potatoes per hectare. At present, calculated per worker, some R144,500 of output is produced. There are also 3 to 5 persons in those Siberian links I already mentioned. And the results? In other economies 100 people don't produce this much. Live has shown that collectives which have few members, and which work on cost-accounting contracts, ensure accelerated growth and manifold increases in labor productivity. And it makes sense: every person in these collectives is in sight, and the efforts of each are most intimately tied in with the final result.

The secondary-worker contract is also being used in more areas. It allows more complete utilization of our feed and other resources, as well as the labor of retired persons and juveniles. It has had a great and educational influence: it helps parents and children to grow up in a labor atmosphere which forms our future workers.

[Question] But in fact far from all contract collectives work efficiently. Many of them have poor productivity, and some of them totally disband. What are the reasons for this?

[Answer] They have been named in the Party's Central Committee decree. Formalism and irresponsibility. The people were untrained in the economy, the agreements were not drawn up with any intelligence and they were not provided with resources. And so here you have the pathetic result. And what's more that old administrative itch--commands and directives from above--is still with us.

Cost-accounting contract collectives have to be their own bosses and resolve the fundamental problems of production work. And the former style--the

commands, the directives--is not to be allowed. It has no educational value and violates the sense of being in charge. As V. Gorin, chairman of the Belgorod Kolkhoz imeni Frunze said at the 27th CPSU Congress, in this situation they need to either recognize their rights or treat them like a bull calf and hold on to the leash.

[Question] It seems to me that you have prompted the next question with your last phrase: what needs to be done so that the cost-accounting contract collectives in every kolkhoz and sovkhoz can discover the tremendous potentialities they have?

[Answer] First of all, I am profoundly convinced that these collectives ought not be made from a mold. And now and then things turn out as in the joke: give out with a slogan and you'll find extremists. And these extremists will offer up "prayers", but without banging their heads on the floor. Certainly the small links and brigades are the most effective. But it is not compulsory to set up only collectives of 3 to 5 persons within an economy. If larger collectives have come into being and they do outstanding work, then why disrupt them? All conditions need to be taken into account--natural, economic and social. We shouldn't dash from side to side in our thinking.

It is clear that the center of gravity in organizing production is moving over to contract links and brigades. In connection with this, it seems, the structure of the kolkhozes and sovkhozes ought to be examined. They should have as their foundation the primary labor collectives which are entering into cooperative ties and which work on a contractual cost accounting basis with the governing board of the kolkhoz or with the management of the sovkhoz. The administrative stratum, by all outward evidence, needs to be cut back as far as possible. And even the functions of economy managers will be seen in a new light. In these new working conditions, they need to involve themselves with the problems of planning production and resources, as well as supply, social development and the social infrastructure. Assimilation of the contract and cost accounting will enhance the productive caliber of the workers, and will increase their need for scientific knowledge. This is why the managers have been charged with maintaining close ties with the scientific collectives, and increasing the part played by specialists.

[Question] Then we apparently need to restructure all our agro-industrial sections?

[Answer] Yes, no doubt about it. All of them must serve the interests of the people who work on the land and on the farms. Unfortunately, here is where the case often turns out to be the opposite. I will present only one case. We have quite a few contract collectives in our livestock breeding sector. As a rule they are made up of fitters from the farms and master trouble-shooters. And here, a major portion of the resources needed to service and repair the equipment is not allocated to them. These resources have been centralized in the rayon centers by the repair enterprises and the equipment maintenance stations. The grounds for this would be significant, i.e., not to set up a technical maintenance center within every economy. And so what is the upshot? Due to the fact that the services are a good distance from the production, the waste of time is sheer nonsense. And in fact, an

hour shut down during milking time, feeding time or watering amounts to a shortfall of 2-3 percent of the planned production of output per day.

The bureaucratic principles of setting up maintenance and processing depots have led to its unwarranted loss of touch with the land and the farms. And this impacts on the economy's cost accounting and effects the results of the work done by the contract collectives. And here, it must be confessed, inadequate scientific work is being done. And one can understand this, for decades, the institutes which presently make up Gosagroprom were set apart and were developing concepts, norms and methods solely in the interests of their own departments. But right now we cannot reconcile ourselves to such a position. The entire edifice of the agro-industrial complex needs to be structured so as to ensure the successful work of the basic production link, from which the output is generated.

[Question] PRAVDA receives a number of letters in which the readers claim that the economic mechanism of inter-sectorial connections and inter-sectorial cost accounting has not been refined. This causes conflicts and frequently causes the contract collectives great losses.

[Answer] Yes, inter-sectorial cost accounting is not polished to perfection. Even the indicators for various agro-industrial subdivisions, which support the production of single products, vary. Thus, the flax growers have their plan for flax straw or flax stock production set for them. And the processing enterprises have their plan set for fiber. The sugar beet growers have their plan for root crops, and the sugar mill workers have theirs for sugar. Hence, this striving to improve only one's own indicator, and the unjustified lowering of the quality of the raw materials when they are received. This undermines the motivation of the rural laborers and the cost accounting of the contract collectives. Our scientists are working up some suggestions. In particular, an indicator ought to be by itself--flax fiber, for example, or sugar. The entire planning and wage system needs to be much more closely related to the final result. In general, it ought to be said that we feel that science has pretty well fallen behind the requirements advanced by the Central Committee of the Party. It needs to pick up speed.

[Question] Aleksandr Aleksandrovich, some of our readers are concerned about the question of whether the setting up of small collectives is going to break up the kolkhozes and sovkhoses.

[Answer] I don't think there's any need for concern. Not even the smallest contract collectives are isolated links. They make up a small part of an economy, and are part of its organism. The economy does a number of the jobs for them which would be unprofitable for them to do themselves. Besides, the workshops and maintenance facilities are centralized. I'm not talking here about the social threads which connect all the kolkhozes and sovkhoses so strongly. And life has already shown that the contract collectives only strengthen an agricultural economy.

[Question] And another apprehension: won't the mass organizing of contract collectives lead to too narrow a division of labor, which can impede man's

comprehensive development, which itself is necessary, by the way, to modern production as well?

[Answer] I recall about Marx that he presented the economists with a very striking and well-known comparison: "Dissecting a person is called punishment if he deserves a death penalty, and murder if he doesn't. Dissecting labor is equivalent to murdering a people." Narrow division of labor impedes the development both of the individual and of society. Because of it, by the way, the people in the countryside are losing their sense of being in charge: they prepare the soil, someone else from the rayon center applies the fertilizer and a third person does the sowing. As for finding someone responsible for the final result of his own work, you won't. But it's just exactly the opposite in the contract collectives: each worker is a jack-of-all-trades and is fully responsible for the work being done. And the contract collectives help to a certain degree in correcting any distortions which may have been allowed to occur. In fact it's no secret that with regard to specialization and division of labor we have by and large succeeded, but have fallen behind in cooperation and integration.

There is something else which needs to be taken into consideration. Agro-industrial integration is a strategic direction within the APK, and has been defined in party decisions. It is precisely this integration which is uniting industry and agriculture and is developing a multi-skilled production, and a material and technical base for the comprehensive development of the worker and the man.

[Question] As was pointed out in the CC CPSU decree, there is a great deal left to do with regard to the training of the labor force and to master economic methods of management. VASKhNIL has also been assigned its tasks. Is science prepared to take care of them?

[Answer] Yes, I believe it is ready. Even though it won't be easy. It could be that the scientists need to be reorganized before any of the rest. A great many scientific collectives have been stuck doing recommendational jobs on private questions. Then, as now, there is a demand on the one hand for in-depth theoretical generalizations structured on the principles of a systems approach, and on the other hand, for concrete, but again composite models and production methods which are suitable for farms and designed for the effective utilization of our resource potential. Agricultural science has a very feeble involvement with the problems directly affecting man. This is why we have to humanize science, and agro-economical science first of all. And we also have to develop our entire production with consideration for its most important factor--the human factor. That is what the Central Committee CPSU decree teaches us. This is the essence of the formula for acceleration.

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MACHINERY, EQUIPMENT

EQUIPMENT SUPPORT IN BEHALF OF AGRICULTURAL DEVELOPMENT

Improvements in Volumes, Quality of Agricultural Equipment Required

Moscow TEKNIKA V SELSKOM KHOZYAYSTVE in Russian No 1, Jan 86 pp 3-5

/Article: "Creative Program"/

/Text/ The Third Program of the CPSU in its current edition constitutes a program for planned and comprehensive improvements in socialism and further movement for Soviet society along the path leading to communism based upon an acceleration in the country's socio-economic development. It is a program for achieving peace and social progress.

From the draft CPSU Program (new edition)

The Soviet people began 1986, the first year of the 12th Five-Year Plan, in an atmosphere characterized by a strong increase in the political and labor activities of the masses, brought about by the decisions handed down during the October (1985) Plenum of the CPSU Central Committee and preparations for the 27th CPSU Congress. The Soviet people welcomed the plans for the new edition of the CPSU Program, the Basic Directions for the Economic and Social Development of the USSR During the 1986-1990 Period and for the Period Up To the Year 2000 and also changes in the CPSU Regulations, all published in the central press for national discussion, as documents of tremendous historical importance and great inspirational and mobilizing force.

Based upon a thorough analysis of the situation prevailing within the country and throughout the world, the party advanced and substantiated in these documents the developed concept of an acceleration in the country's socio-economic development.

The workers, kolkhoz members and intelligentsia greeted the new year with glorious labor accomplishments and a broad scope for the socialist competition.

The 11th Five-Year Plan was completed successfully. The country's economic potential increased considerably during this period. A new and considerable step was taken in connection with national economic development and in solving large and important social tasks.

Compared to the 10th Five-Year Plan, real per capita income increased by 11 percent. The average monthly earnings of manual and office workers increased by 13 percent and reached 190 rubles in 1985. The wages of kolkhoz members in the public economy were raised by 29 percent and amounted to more than 150 rubles per month. Payments and benefits from public consumption funds, used for free education, medical services, recreation and material support during old age increased by 25 percent and in 1985 reached approximately 530 rubles per capita. The housing problem is being solved in a consistent manner. More than 550 million square meters of housing space were placed in operation and this made it possible to improve the housing conditions for more than 50 million persons. An improvement was realized in the level of housing services and amenities.

The country's economic potential increased considerably. Compared to 1980, national income was raised by 17 percent. Almost 90 percent of this increase was realized as a result of growth in the productivity of social labor. Roughly 840 billion rubles worth of capital investments were employed for strengthening the logistical base of the national economy and for the construction of housing and other socio-cultural installations. More than 1,000 new and modern industrial enterprises were placed in operation.

The economy's leading branch -- industry -- underwent further development. Its output increased by 20 percent. The power engineering program of the USSR is being carried out.

The party's agrarian program is being carried out in a steady manner and the country's Food Program is being implemented consistently.

One third of all capital investments is being employed for strengthening the logistical base of kolkhozes and sovkhozes of the entire agroindustrial complex. The fixed productive capital has been expanded considerably, the machine-tractor pool has been renovated and augmented and increases have taken place in the deliveries of mineral fertilizers and other chemical means and also in electric power consumption. The material status of kolkhoz members and sovkhoz workers is improving. The kolkhoz and sovkhoz economies are becoming stronger and the subsidiary farms of enterprises and organizations and also municipal and rural inhabitants are undergoing further development. The construction of housing and socio-cultural installations is being carried out at high rates.

A great amount of work has been carried out in connection with land reclamation and irrigation construction and in the implementation of an all-round program for improving agriculture in the nonchernozem zone.

The carrying out of large scale measures aimed at developing agriculture has made it possible to increase the production and purchases of the principal types of agricultural products. The average annual volume of gross agricultural output increased by 6 percent and reached 131 billion rubles. Compared to the 10th Five-Year Plan, meat production increased by 10 percent and eggs by 18 percent. Considerable increases took place in the vegetable and fruit yields.

The final year of the 11th Five-Year Plan was a successful one for many kolkhozes and sovkhozes. Worthy gifts of labor were prepared for the upcoming

party congress by grain growers in the Bashkir and Tatar ASSR's, in Omsk, Tyumen, Kurgan, Moscow, Tula and Gorkiy oblasts and Krasnoyarsk Kray in the Russian Federation, in Voroshilovgrad, Ternopol, Zhitomir, Vinnitsa, Khmel'nitskiy, Cherkassy, Odessa, Poltava and Kiev oblasts in the Ukraine and in Kustanay and North Kazakhstan oblasts in Kazakhstan.

The kolkhozes and sovkhoses in Belorussia, Lithuania, Latvia, Estonia, Moldavia, Armenia and other republics and oblasts throughout the country made a worthy contribution towards augmenting the all-state grain resources.

Fine work was performed by beet growers in Cherkassy, Khmel'nitskiy, Kiev, Ternopol, Kursk, Belgorod and other oblasts. Worthy of imitation is the success achieved by farmers of the Zarya Kommunizma Kolkhoz in Korenevskiy Rayon in Kursk Oblast, who obtained 61.5 tons of sweet roots from each of 600 hectares.

The cotton growers of Turkmenistan, Azerbaijan, Uzbekistan and Tajikistan carried out their work under a considerable amount of tension.

Selfless work was performed by workers attached to kolkhoz and sovkhos farms and animal husbandry complexes.

Based upon initiative displayed by leading collectives in the Russian Federation, the Ukraine, Belorussia, Georgia, Moldavia and Latvia and other union republics, all of whom undertook high obligations in honor of the 27th CPSU Congress, an all-union socialist competition was launched throughout the country aimed at successfully carrying out the livestock wintering program and increasing the production and purchases of animal husbandry products.

At the same time, a reduction in tempo was observed during the past five-year plan in national economic development and intensification and reorganization of the production structure and the methods for administration and management were carried out in a very weak manner. New equipment and technologies were introduced into production at inadequate rates. The technical level and quality of many products, including consumer goods, are lagging behind the modern requirements.

Difficulties are still being experienced in the matter of supplying the population with certain types of food goods.

An important aspect of the party's economic strategy -- as stated in the draft CPSU Program -- is that of accelerating scientific-technical progress.

A considerable increase must be achieved in labor productivity based upon accelerated scientific-technical progress, fundamental changes in equipment and technology and the mobilization of all organizational, economic and social factors. Labor productivity must be increased by a factor of 2.3-2.5 during the next five-year period. During this period, as much work must be accomplished as has been completed during all of the years of Soviet rule and national income and the volume of industrial production must be increased by almost twofold.

In carrying out the long-term plans of the Soviet people and their creative endeavors, special importance will be attached to the 12th Five-Year Plan. It must ensure solutions for all of the large-scale tasks and further forward progress in all sectors of communist construction

The chief task of the 12th Five-Year Plan consists of raising the rates and effectiveness of economic development based upon accelerated scientific-technical progress, the technical re-equipping and modernization of production, the intensive use of the production potential created, improving the system for administering the economic mechanism and, on this basis, achieving further improvements in the well-being of the Soviet people.

Based upon the chief task, the plans call for the national income used for consumption and savings to be increased by 19-22 percent. The entire increase in national income must be achieved by means of an increase in the productivity of social labor. This will require constant improvements in the effectiveness of social production. Just as in the past, special attention must be given to the thrifty use of fuel, electric power, metal and other material resources.

Our industrial workers have a large task confronting them. Industrial output must be raised by 21-24 percent, including means of production by 20-23 percent and objects of consumption by 22-25 percent. Extensive use will be made of technological processes which reduce the requirement for live labor and which lower the material-intensiveness and energy-intensiveness of products.

In all branches of the productive and non-productive spheres, more extensive use will be made of electrification, use of chemical processes, automation and production computerization and biotechnologies will also be used.

An indispensable condition for the country's socio-economic progress, as stipulated in the draft CPSU Program, is that of further strengthening and raising the efficiency of the agro-industrial complex and completely satisfying the country's requirements for its products. The conversion of agriculture over to an industrial base must be completed, scientific systems for farm management and intensive technologies must be introduced into operations in all areas, improvements must be realized in the use of land and in its fertility, considerable increases must be achieved in the yields for all agricultural crops and in animal husbandry productivity, the feed base must be strengthened, stable agricultural production must be ensured, its vulnerability in the face of unfavorable natural-climatic conditions must be lowered and crop losses must be eliminated.

Despite increases in the production of farming and animal husbandry products, there are still many unrealized opportunities in agricultural development and resources, after having been allocated, are not being utilized sufficiently effectively.

During the 12th Five-Year Plan, the average annual volume of gross agricultural output must be raised by 14-16 percent, mainly by means of intensive factors for development, the introduction of modern scientific and engineering achievements and leading practice and the efficient use of created production potential.

A steady increase will take place in grain production -- the foundation for the creation of the country's food and forage funds. The creation of large zones for the guaranteed production of grain on irrigated lands, especially corn, will be continued. More complete utilization must be made of the potential offered by the grain regions.

The plans call for the gross yield of grain to be raised to 250-255 million tons by 1990, sugar beets -- to 92-95, sunflowers -- to 7.4-7.5, potatoes -- to 90-92, vegetables and melon crops -- to 40-42, fruit and berries -- to 14.5-15.5 and grapes -- to 10.5-11.5 million tons. Every attempt must be made to ensure the production in 1990 of 2.8-3 million tons of cotton fiber and 9.1-9.4 million tons of raw cotton.

An urgent task is that of radically improving feed production and creating a reliable and balanced feed base.

The plans call for stable growth to be achieved in the production of animal husbandry products based upon a strengthening of the feed base and the use of scientific achievements. By 1990, meat production must be raised to 21 million tons (in dressed weight), milk -- to 106-110 million tons and eggs -- to 80-82 billion units.

In the interest of augmenting the food resources, the subsidiary farms of enterprises and organizations will undergo thorough development and assistance will be furnished to the private plots of citizens.

Implementation of the long-term program for land reclamation will be continued. Using state capital investments, the plans call for 3.3 million hectares of irrigated land and 3.6 million hectares of drained land to be placed in operation during the five-year period and for soil improvement work to be carried out on an area of 8.3 million hectares.

Work will be carried out in a planned manner in connection with raising soil fertility, based upon the use of chemical processes in agriculture, and expanding the use of organic fertilizer. In 1990, agriculture will be supplied with 30-32 million tons of mineral fertilizer, 440,000-480,000 tons of chemical agents for protecting plants and also with not less than 100 million tons of lime materials. The applications of organic fertilizer will be increased to 1.5 billion tons.

The technical re-equipping of agricultural production will be carried out in a purposeful manner. Over a five year period, the kolkhozes and sovkhoses will be supplied with 1,900,000 tractors, 1,600,000 trucks and 1,770,000 tractor trailers, agricultural machines and equipment valued at not less than 43 billion rubles, including 17 billion rubles for animal husbandry and feed production.

An improvement will take place in the matter of supplying the branch with complexes of economical and highly productive machines and specialized transport and loading-unloading equipment.

Equal importance is being attached to improving the use of agricultural equipment, maintaining it properly and to raising the quality of all repair and servicing operations. In this regard, the repair base of kolkhozes and sovkhoses will be further strengthened.

All of this will make it possible to raise labor productivity in the public sector of agriculture by 21-23 percent.

Tractor and agricultural machine building and also machine building for animal husbandry and feed production are confronted by large and important tasks.

The reorganization of production on a large scale will ensure an increase in the production and improvements in the structure of machines and implements in conformity with the machine system nomenclature called for for the 1986-1990 period, for the mechanization of agricultural operations, and it will make it possible to satisfy more completely the kolkhos and sovkhoz requirements for such machine systems. The productivity of agricultural equipment must be raised by a factor of 1.5-1.8, specific fuel consumption by tractors and combines must be lowered by 3-5 percent and the specific metal intensiveness of products -- by 10-15 percent.

The production of new models of caterpillar plowing and wheeled all-purpose-row and heavy industrial tractors will be organized. A considerable expansion will take place in the production of operationally reliable and economical small-scale tractors, motorized units with sets of attachments for them and other machines of improved design for use in collective orchards and gardens and on private plots. The production of a set of implements for powerful tractors will be increased threefold.

The production of wide-swath self-propelled Step harvesters will be organized. The production of complexes of highly productive machines and equipment for employing soil-protective farming systems and industrial and intensive technologies for the cultivation of agricultural crops and for carrying out land reclamation, timber logging and other operations is being mastered. A considerable increase will take place in the production of machines for preparing and applying fertilizers to the soil and for employing chemical means for protecting plants.

The production of high quality and economical machines and equipment for animal husbandry and feed production and for the technical re-equipping of small farms will be expanded.

Rural workers, like all Soviet people, are actively participating in discussions of the party documents approved during the October Plenum of the CPSU Central Committee. They see in them an expression of their own thoughts and desires, they express warm support for the party's plans for further developing our society and they are fully resolved to make a worthy contribution towards carrying them out.

Many renowned heroes of fields and farms and followers of Stakhanov, such as V.M. Cherdintsev, N.V. Pereverzeva, V.Ya. Pervitskiy, A.V. Gitalov, M.A. Braga, K.B. Donenbayeva, L.A. Peyps and many others, are greeting the 27th CPSU Congress with large labor successes.

For more than 40 years, V.M. Cherdintsev has been growing grain on the fields of the Orenburg Rassvet Kolkhos. Over the course of a five-year plan, he fulfilled 20 annual norms for grain production and over a 10 year period the

hopper of his combine supplied more than 20,000 tons of grain. Last year, using three Don combines, the team headed by him obtained 6,000 tons of grain.

"At the present time, with the party relying upon scientific-technical progress, intensive technologies have been defined as the principal reserve for developing agricultural production," commented V.M. Cherdintsev, "we must carry out our research in a more bold manner and we must invest our hearts and souls in this work."

The harvesting-transport team of N.V. Pereverzevaya, at the Put Lenina Kolkhoz in Rostov Oblast, obtained more than 10,000 tons of grain during one season.

"In the CPSU Program, special importance is attached to strengthening the creative nature and collective character of labor, raising its culture and encouraging highly skilled and highly productive work," stated N.V. Pereverzeva. "This requirement applies to everyone. Thus the leading experience accumulated over the course of many years of industrious and conscientious work by labor experts and innovators constitutes one of our national treasures."

For a quarter of a century, V.Ya. Pervitskiy has directed the country's first mechanized team out on the fields of an experimental farm of KuBNIITIM /Kuybyshev Scientific-Research Institute for the Testing of Tractors and Agricultural Machines/. It was the first team to commence the cultivation of corn in the absence of manual labor. The team now consists of 17 individuals who service a complete crop rotation plan on an area of 1,918 hectares. Each year, 4.5-5.0 tons of wheat and 5-6 tons of corn for grain are obtained here per hectare. In addition, more than 3½ tons of sugar beets and up to 60 tons of corn for silage are obtained per hectare. The team produces an average of almost 1 million rubles worth of products.

Accepting with satisfaction the statute of the draft new edition of the CPSU Program which holds that in the USSR an individual has become the sole master of the country, that socialism has conquered completely and finally and that persistent labor by the Soviet people is the chief condition for new victories along the path of communist development, V.Ya. Pervitskiy proudly noted how the authority of a simple worker, be he a miner, steel worker or oil industry worker, has been raised to a high level in our country. In our country, all work is honorable and every profession needed.

A national discussion of the party's program documents serves as clear testimony to the true democracy of our social structure. It is closely associated with solving the specific current and long-range tasks confronting the labor collectives and it is promoting the extensive use of leading experience, the further development of the socialist competition and the elimination of shortcomings and neglect in the carryin out of work and it is aiding each worker in understanding his role in achieving the planned goals.

Only a short period of time remains before the first units are moved out onto the fields. With each passing day, the agricultural workers in the Azerbaijan SSR, Georgian SSR and in Brest, Vinnitsa, Rostov, Ulyanovsk, Tselinograd and Chardzhou oblasts are expanding the all-union socialist competition for timely and high quality preparation of the agricultural equipment for the 1986 field operations.

The machine operators, repair workers and all of the labor collectives are carrying out tense work as they strive to fulfill their pre-congress socialist obligations. Good organization, a creative approach to the work and mutual exactingness serve to ensure that they will achieve success.

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New Machines for Agriculture

Moscow TEKHNIKA V SELSKOM KHOZYAYSTVE in Russian No 10, Oct 86 pp 3-5

/Article by N.A. Stolbushkin, deputy chief of the Department for Mechanization and Electrification of USSR Gosagroprom: "Modern Equipment for the Fields"/

/Text/ The party will promote in every possible way a further increase in and efficient use of the country's scientific-technical potential and the launching of scientific studies which will open up new opportunities for large-scale and revolutionary advances in the intensification of the economy. The introduction of modern scientific and engineering achievements into production must be ensured in all areas.

The principal tasks confronting workers attached to the agroindustrial complex derive from the decisions handed down during the 27th CPSU Congress and the June (1986) Plenum of the CPSU Central Committee are to achieve stable growth in production and reliable support for the country in the form of food products and agricultural raw materials and to combine the efforts of all of the complex's branches in the interest of achieving high final results.

The average annual volume of gross agricultural output must be increased by 14-16 percent, mainly by means of intensive factors for development, the introduction of modern scientific and engineering achievements and leading experience and the effective use of production potential.

Just as in the past, a key agricultural problem continues to be that of increasing grain production. The gross grain yield in 1990 must amount to 250-255 million tons. The plans call for considerable growth in the production of cotton, sugar beets, sunflowers, potatoes, vegetables, fruit and other field crop husbandry products.

Decisive conditions for the successful carrying out of assigned tasks include: strengthening the logistical base for agriculture in every possible way and consistent implementation of a program for agricultural intensification by means of further use of chemical processes, all-round mechanization and extensive land reclamation operations.

More than 2.85 million tractors, 825,000 grain harvesting machines, more than 260,000 silage harvesting and feed harvesting combines and many other machines are in use at kolkhozes and sovkhoses.

The power-worker ratio for one worker on the farms already exceeds 22 kilowatts and support in the form of power capacity per 100 hectares of sowing area is 250 kilowatts.

Such labor-consuming processes and soil cultivation, sowing, tending of agricultural crops, grain harvesting work and many other operations were fully mechanized long ago. The harvesting of sugar beets and potatoes has been mechanized 94 percent, hay mowing -- 100, stacking of hay -- 80 and the loading of mineral and organic fertilizers -- by 97 percent.

A considerable increase has taken place in the equipping of kolkhozes and sovkhozes with electrical equipment. The annual consumption of electric power exceeded 147 billion kilowatt-hours.

However, the level of technical equipping of the rural areas continues to remain low and the proportion of manual labor among beet growers and potato, vegetable and cotton growers is still high.

The future for agriculture is directly associated with the degree to which it is supplied with equipment. The engineering and technical service of the APK /agro-industrial complex/ and the machine builders are confronted by large tasks concerned with accelerating the conversion over from partial to the complete mechanization of all agricultural branches.

The technical re-equipping of agricultural production will be carried out in a purposeful manner during the 12th Five-Year Plan. During the five-year period, the plans call for agriculture to be supplied with 1,900,000 tractors, 1,600,000 trucks, 1,770,000 tractor trailers and other agricultural machines and equipment, the total value of which will be not less than 43 billion rubles. Labor productivity in the public sector of agriculture will be raised by 21-23 percent.

For the complete mechanization of all branches of kolkhoz and sovkhoz production, there will be a requirement for almost 4,000 types of tractors, machines, implements, units and attachments. Of this number, more than 2,000 types of machines are being supplied to agriculture, many are undergoing testing or are in a stage of development and more than 1,100 types remain yet to be developed.

The USSR Gosagroprom /State Agroindustrial Committee/ has examined and approved a plan for a system of machines for the all-round mechanization of agricultural production during the 1986-1995 period. It defines the principal trends for scientific-technical progress in the APK.

The new system of machines has important differences from the standpoint of quality compared to the previous system. It is assumed that the growth in capabilities, working speeds and power ratings of tractors, the increase in the swath width of machines and in their lifting capabilities, the capacities and cross country ability of motor vehicles and tractor trailers and the creation of machines for implementing industrial and intensive technologies for the cultivation of agricultural crops and wide-swath combines for harvesting grain and multiple-row crops -- are all for technical crops; the plans call for more extensive use of electrified machines and equipment and also automatic equipment for mobile and stationary processes.

The latest trends in technical progress are undergoing further development. Implements with active working organs are being employed more extensively for

soil cultivation and the plans call for the mass use of multiple-purpose units, machines which make it possible to carry out several operations during one pass by a unit.

The level of labor productivity in agriculture is dependent mainly upon the technical-economic indicators of tractors. In future decades, they will continue to be the principal means for mobile power engineering.

During the 12th Five-Year Plan, the plans call for the production of new and modernized powerful tractors, including Class 2 multiple-purpose row tractors with a power rating of 150 horsepower. Their productivity, for the entire complex of operations concerned with the cultivation of row crops, will increase by a factor of 1.3-2. Production will commence on new models of the T-150 and DT-175S general purpose caterpillar tractors. The DT-175S tractor has a higher productivity. Its transmission employs a hydraulic transformer which regulates the speed of movement depending upon the tractive load.

In addition to the creation of new models, modernization of the MTZ-80/82 and K-701 serially produced tractors and others will be carried out.

Large changes from the standpoint of quality will be carried out in the transport equipment being made available to agriculture by the automobile industry.

At the present time, the production association of GAZ [Gorkiy Automobile Plant] has created a design and is making preparations for the production of an agricultural diesel motor vehicle train with a load carrying capability of 9 tons. The Kutaisi Motor Vehicle Plant has developed a family of motor vehicles with improved cross country capability of the 4 X 4 type and with a load carrying capability of 4.5 tons. An association of UralAZ [Ural Motor Vehicle Plant] has already commenced the series production of special agricultural motor vehicles having a high cross country capability and a load carrying capability of 7 tons. These vehicles are capable of operating on dirt roads and under field conditions with dump truck trailers having the same load carrying capability. A diesel drump truck motor vehicle train is being produced in the city of Brezhnev for agricultural purposes. It has a load carrying capability of 14 tons and is mounted on a KamAZ tractor base.

Simultaneously with expanding the production of large tractor trailers, which will ensure a twofold increase in their annual output, preparations are being made for the production of new trailer models having a load carrying capability of 13 and 14.5 tons. This will make it possible to organize trains consisting of K-700 tractors. All of this will make it possible to increase labor productivity considerably and it will ensure the carrying out of transport operations with no increase in the number of driver personnel.

In addition to the newly developed machines, improvements will be carried out on the existing agricultural motor vehicles.

The harvesting of grain crops continues to be a most complicated task for the farmers. During the current five-year plan, the kolkhozes and sovkhoses will be supplied with large quantities of new and highly productive grain harvesting combines of the "Don" family, together with a set of attachments for harvesting

various crops. The capability of the Don-1200 combine is 6.5 kilograms of grain bulk per second and that of the Don-1500 -- 8 kilograms per second.

The complete utilization of the technical potential of the Don type tractors must be ensured in all areas, progressive forms for organizing operations must be employed and machine operator personnel for operating these machines must be trained in a timely manner. In zones characterized by average or low yields, use should be made of wide-swath reversible ZhVR-10 windrow harvesters. Such harvesters can lay out a single windrow with a gang-mow width of 10 meters and a double windrow of 20 meters. Their use makes it possible not only to release a portion of the combines for mowing, but in addition they will reduce grain losses substantially by shortening the grain harvesting periods. The self-propelled ZhVR-10-03 harvester, ganged with a KPS-5G power source, has been created on a ZhVR-10 base and made available for series production.

Testing has been carried out under Kazakhstan conditions on the self-propelled USK-17 Step harvesting complex. It has a triple-section windrow harvester with a width of 17 meters for mowing grain in one and two windrows, a grass harvester (4,26 meters), a harvester for harvesting corn for silage and a pick-up attachment. The mass production of these complexes will commence during the current five-year plan following the development of the design and the selection of the machines to be ganged with it. The farms will be supplied with more than 22,000 such complexes.

The intensive technology for the cultivation of grain crops is considered to be a large reserve for increasing grain production. This year, such sowings were carried out on 31 million hectares. However, many of the machines required for employing these technologies are still lacking and thus the farms are forced into having to adapt existing equipment.

The problem of protecting the crop continues to be an acute one. Up to 70-75 percent of all of the grain being obtained is being processed at kolkhozes and sovkhoses on grain cleaning units and at grain cleaning and drying complexes, which ensure the complete mechanization of all operations.

The ZAV-25 and ZAV-50 grain cleaning units and the KZS-25 and KZS-50 grain cleaning and drying complexes have been created for the rapid acceptance of large volumes of grain. These units have highly productive acceptance sections and sections for the temporary storage of grain. They ensure an industrial production line post-harvest processing of the grain and seed preparation and they lower labor expenditures by almost twofold. At the present time, a conversion has been carried out over to the production of a family of new units and complexes having a productivity of 25 and 50 tons per hour. In order to ensure the efficient introduction of this equipment, a need exists in the various areas for devoting greater attention to the timely assembly of the units and complexes and to providing the machine operators with training in their operation.

Machine complexes for harvesting the non-grain portion of a crop will be introduced into operations on an extensive scale. The production of USA-10 units and PV-6.0 pick-up attachments commenced this year. This equipment will make it possible to lower considerably the labor expenditures for harvesting straw.

The country's Food Program calls for the annual production of 102-103 million tons of sugar beets. Root crops are being cultivated on almost 3.5 million hectares and of this number the industrial technology is being employed on an area of more than 2 million hectares. A machine complex produced for the sowing and tending of beet crops makes it possible to carry out all operations in a timely and high quality manner. Moreover, the sugar beet yield has been raised by 2.5-4 tons per hectare and labor expenditures lowered by a factor of 1.5-2 compared to the conventional technology.

However, within this harvesting complex the BM-6A (BM-4) haulm harvesting machine is not satisfying the agrotechnical requirements. The new MBS-6 machine is providing better quality cutting of the haulm. The production of machines having interchangeable digging units of the disk and forked type has been mastered based upon use of the KS-65 root harvesting machine.

The SPS-4.2 beet loader, the production of which will commence this year, is undergoing modernization.

The transporting of the beets continues to be a bottleneck during the harvesting period. This problem is being solved successfully on those farms where harvesting-transport detachments are being organized.

Important tasks confront the potato growers. The gross yield of potatoes must be raised to 90-92 million tons by the end of the 12th Five-Year Plan. Such production volumes for this important crop are possible only if a progressive cultivation technology is introduced into operations on an extensive scale. However, it is being used on only 10-15 percent of the areas. This is the result of a lack of modern planting machines, cultivator-ridgers and harvesting complexes.

It was only last year that the farms began receiving the highly productive KSM-4 and KSM-6 potato planters, which are equipped with high speed planting units that are loaded from dump truck transport equipment.

The development of a triple-row potato harvesting combine is nearing completion at the present time.

For raising the level of all-round mechanization in the cultivation of potatoes, great importance is being attached to the potato harvesting machines and sorting points being supplied by the GDR.

In conformity with the decisions handed down during the 27th CPSU Congress, the plans call for 2.8-3 million tons of cotton to be obtained in 1990. The industrial technology for the cultivation of cotton assumes the extensive use of equipment the production of which has for the most part been mastered by industry.

The future plans for cotton production call for the development of 8-row sowing machines and cultivators, pneumatic precision drills, multiple-purpose attached and self-propelled 2 and 4-row cotton harvesting machines with high agrotechnical indicators and 4-row puller-crushers for cotton stalks.

A great amount of work remains to be carried out during the current five-year period in order to raise the level of mechanized operations in flax production.

The combine technology is the most economic and least labor-intensive method available for harvesting flax. Its successful introduction into operations requires that each flax production farm build a standard drying point. A set of equipment for a mechanized drying point and for the processing of flax-heap (KSPL-0.9) with a KSM-1 rotary drum dryer is especially effective.

The roll technology for harvesting flax heap will be employed more extensively in the future.

The chief problem associated with the development of animal husbandry continues to be the procurement of coarse and succulent feeds. Over the past few years, a complex of machines has been created which makes it possible to harvest forage crops using various progressive technologies.

However, owing to design imperfections and low productivity in a number of machines, some operations continue to be mechanized to only a negligible degree and this is dragging out the feed harvesting schedules and lowering the nutritional value of the feed.

Thus work is being carried out in connection with raising the productivity of the principal machine complexes and the periods of service. A combine on a caterpillar undercarriage for the Far East zone and a highly productive feed harvesting combine with a 220-257 kilowatt engine for the zone of irrigated farming are being created at the present time. Self-propelled KSK-100A-1 feed harvesting combines and self-propelled KPS-5G-1 mower crushers, intended for the nonchernozem zone, and also wide-swath self-propelled SKP-10 mowers for Kazakhstan have been made available for production operations.

Promising technologies include the pressing of hay using roll-type roto-balers and presses with rectangular bins and the procurement and storage of feed using chemical preservatives. Equipment for applying preservatives is being produced for the PRP-1.6 roll-type roto-baler. Equipment of a similar nature is being created for silage-harvesting and feed-harvesting combines.

Following the May (1966) Plenum of the CPSU Central Committee, the areas of irrigated land increased by more than twofold and this made it possible to create throughout the country a number of zones having stable agricultural crop yields. The level of mechanization of land reclamation operations exceeded 44 percent.

The re-equipping of the pool of sprinkling machines must be completed during the current five-year plan. Obsolete units will be replaced by highly mechanized and automated machines of the Dnepr, Fregat, Volzhanka and other types. Modifications of the sprinkling machines for applying prepared animal husbandry waste water together with irrigation water and automated hose sprinklers have been recommended for production. The highly productive Kuban machine is now in production.

With each passing year, agriculture is being supplied with increasing amounts of mineral fertilizer and chemical protective agents. In 1990, the amounts will

be 30-32 million tons and 440,000-480,000 tons respectively. Not less than 100 million tons of lime materials and approximately 1.5 billion tons of organic fertilizer will be applied to the soil.

In order to ensure more complete and highly effective use of these materials, the plans call for the creation of wide-swath machines of the conveyer type and also for local applications of full dosages of mineral fertilizer instead of machines having centrifugal fertilizer distributors. These will be large towed or self-propelled machines with a 16-24 ton capacity, high cross-country capability and capable of applying fertilizer to an area of 300-400 hectares during a day's time.

Low and extremely low volume sprayers which can hold 10-250 liters of a chemical solution are being created for protecting plants. Over the course of a season, one low volume sprayer can save a farm approximately 3,000 rubles. They make it possible to improve the protection of the environment against chemical contamination.

During the 12th Five-Year Plan, wide-swath plant feeder-sprayers for use during the cultivation of wheat using intensive technologies will be produced.

The 12th Five-Year Plan calls for a considerable expansion in the use of electric power for the electromechanization and automation of production processes in farming and improvements in the working and living conditions of rural workers based upon the introduction of scientific-technical progress and new energy conserving types of equipment, units and instruments.

Compared to 1985, electric power consumption for municipal and everyday needs and per individual rural resident will increase by a factor of 1.3-1.4.

The consumption of electric power for thermal purposes will increase twofold and that for machine irrigation by a factor of 1.7.

Measures have been outlined for raising the reliability and quality of the power supply for agricultural consumers.

During the 12th Five-Year Plan, 762,000 kilometers of rural electric power lines with a voltage of 0.4-20-110 kilovolts will be placed in operation and 51,700 kilometers of electric power lines with a voltage of 0.4-20 kilovolts will undergo modernization.

Measures will be undertaken to regulate the accounting procedures employed for the consumption and efficient use of electric and thermal power.

The carrying out of such large-scale tasks concerned with the technical arming and re-equipping of field workers will depend to a large degree upon the machine builders. "It is clear," stated M.S. Gorbachev during the 27th CPSU Congress, "that the effectiveness of modernization and the rates for economic growth are dependent to a decisive degree upon machine building. For it is in machine building that basic scientific-technical ideas are materialized and it is here that new implements of labor and machine systems which determine progress in other branches of the national economy are created. The foundation is laid

here for the emergence on a wide scale of basically new resource conserving technologies and for raising labor productivity and the quality of output."

The farms still lack many of the machines required for the cultivation and harvesting of agricultural crops and discipline as it applies to deliveries and spare parts is not always being observed. Many machine building plants and design organizations responsible for fulfilling agricultural orders continue to be under an obligation to the machine operators.

The engineering-technical services of rayon agro-industrial associations and oblast agroproms bear a considerable amount of responsibility with regard to accelerating scientific-technical progress in the rural areas. They must unite the efforts of APK partners, they must achieve a unity of interests among all who today are entrusted with implementing scientific-technical progress and they must exercise constant control over the carrying out of the plans for the technical re-equipping of agriculture.

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POLICY, ORGANIZATION

DEPUTY TRADE MINISTER ON NEW REFORMS FOR 1987

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[Article by P. Kondrashov, USSR First Deputy Trade Minister: "Let's Raise the Work System to the Level of the New Tasks"; first paragraph is the source introduction]

[Text] This article is recommended for use in the economic education system when studying the course "Intensive Development of the Economy."

The Political Report of the CPSU Central Committee to the 27th party congress clearly formulates the reasons that prompted the party to advance the concept of acceleration and restructuring, as well as the principles for the new approach to the critically important tasks and the rates of resolving them under the present-day conditions and in the future.

"Now much, or essentially everything," M. S. Gorbachev said from the rostrum, "will depend on the degree of effectiveness with which we will be able to use the advantages and opportunities of the socialist system, its economic might, and its social potential, to renovate the obsolete social forms and the work style and methods, and to bring them into conformity with the changed conditions."

The essence of the acceleration, the congress emphasized, lies in the taking of all steps to intensify production on the basis of scientific-technical progress, in the restructuring of the economy, and in the search for effective forms of administering, organizing, and providing incentives for labor.

In implementing the decisions of the 27th CPSU Congress with respect to the acceleration of our country's socioeconomic development, the CPSU Central Committee and USSR Council of Ministers adopted the decree entitled "Improving Planning, the Providing of Economic Incentives, and Administration in State Trade and the Consumer Cooperative System." The purpose of the decree is the fundamental improvement of the trade services provided to the public, and the improvement of its quality and efficiency. This must be achieved by means of the intensification of the economic self-interestedness not only of the trade organizations and enterprises, but also of every trade worker for the final result of his activities -- the more complete satisfying of the growing needs of Soviet citizens.

The improvement of planning, the providing of economic incentives, and administration in our branch stipulates the reduction in the number of centrally established planning indicators and the expansion of the independence of the trade organizations on the basis of developing and intensifying cost accounting and their conversion to self-financing. From now on the payment of the labor performed in trade, the opportunities for production development, and the improvement of the workers' social conditions are directly dependent upon the final work results. The decree aims us toward the fulfillment of very responsible and complicated tasks, because it deals essentially with the changeover "on the march" of the entire branch from the directive method of administration to the normative method.

It will be necessary to carry out a large amount of analytical and organizing work to restructure the economic and commercial activities on all floors of our trade building -- from the store and torg to the oblast (kray) administrations, the trade ministries of the union republics, and the branch's main headquarters -- USSR Ministry of Trade.

The changeover to work under the new conditions requires the fundamental restructuring of the existing normative and methodological base and the creation of a new one. At the present time the development of new methodologies and instruction manuals is in the stage of completion. It is very important for them to be well studied and completely clear to all the trade workers.

The economic mechanism in effect at the present time in trade does not completely correspond to the modern requirements, and the management forms and methods and the system of paying labor provide poor incentives for improving the trade services provided to the public. Excessive regulation of economic activity and the large number of planned indicators to be approved limit the independence of the trade enterprises and organizations and restrain the initiative of the labor collectives in questions of improving the commercial work.

This gives rise to such shortcomings as a lethargic attitude toward the search for reserves for increasing commodity turnover; the holding back of commodities when fulfilling the plan in a particular month, in order to fulfill it during the next one; interruptions in trade; and the striving to trade in expensive and scarce commodities, to the detriment of ones that are inexpensive and in ample supply.

At the present time trade does not have any effective economic levers that encourage people to work with smaller expenditures and a greater return. The enterprises have little concern about the effectiveness of management, since the overexpenditure of the wage fund and the circulation-costs estimate, and the nonfulfillment of a number of other indicators, do not exert any tangible influence upon the payment of the labor performed by the collective.

There has been a weakening of the self-interestedness and sense of responsibility for the results of one's work. For that reason the customers frequently see the backs, rather than the faces, of the sales persons and hear

a crude reply that kills the desire to buy a commodity. This engenders in the public legal dissatisfaction and a negative attitude toward the trade workers, and does not promote the development of commodity turnover.

The new economic mechanism that it is planned to introduce in trade organizations and enterprises in 1987 in conformity the decree of the CPSU Central Committee and the USSR Council of Ministers, stipulates the decision conversion to economical methods of administering the branch. When the new methods were being developed, use was made of the experience that had been accumulated in the course of the experiment conducted in industry, and for a number of questions also in trade, as well as the analysis of the mechanism operating in the branch at the present time and its shortcomings. It was planned to create the economic opportunities for awarding incentive payments for highly productive life.

What fundamentally new features are being introduced into the branch's economic mechanism?

First of all, and this is the most important thing, there has been an expansion of the enterprises' independence in planning their activities. Now the list of indicators and economic norms for the subordinate stores, cafeterias, and their structural subdivisions will be determined independently by the manager of the torg or the cost-accounting trade enterprise, on the basis of economic desirability.

In the 11th Five Year Plan, as everyone knows, the republics carried out an experiment to improve the planning of retail commodity turnover and pay bonuses to store workers. In 1985, 170 torgs and department stores took part in that experiment.

Wherein lies the essence of that experiment?

The volume of commodity turnover is established for the stores by computation; their activities are evaluated on the basis of the increase in commodity turnover while providing the continuous trade in commodities stipulated by the assortment list, and with a consideration of the efficiency of the services provided.

The enterprises carrying out the experiment provided for a higher rate of increase in commodity turnover. Thus, in 1985 they fulfilled the plan by 101 percent, with an increase of 3.5 percent as compared with 1984, whereas for the country as a whole, for the local torg system, the plan was fulfilled by only 97.4 percent, with an increase of 2.2 percent.

Thus, the experiment confirms the viability and practical desirability of this method of management. Now the experimental period has ended. The adopted decree provides the justification for the broad introduction into practice of the new planning procedure.

The decree changes the procedure for developing and assigning the commodity-turnover plans for the union republics. The councils of ministers of the union republics, beginning in 1987, will plan the retail commodity turnover

and the market commodity allocations as a whole for the autonomous republic, kray, and oblast without isolating the trade systems (except for Ministry of Railroads). This measure will make it possible to improve planning and will guarantee time-responsive shifting of commodity resources.

There has been a reduction in the number of centrally established plan indicators. Thus, the plan for economic and social development and the financial plan will now be developed by the *torg* independently on the basis of the established commodity-turnover plan and economic quotas that are stable for the five-year plan. The role of these quotas in planning will increase considerably. The basic ones are the quota for deductions to be paid into the budget from the income of enterprises and associations; the quota for deductions from income for trade administration agencies for the purpose of forming centralized reserves and funds; and quotas for formation of the labor payment fund and the fund for production and social development, in percentages of the income remaining at the disposal of the enterprises and organizations. The application of these quotas will make it possible to guarantee the introduction of the principles of self-financing into the work practice of the trade enterprises and will promote the reinforcement of cost accounting.

One of the important peculiarities of the new management methods, as was already mentioned, is the increase in the economic responsibility of the trade organizations and enterprises for the final work results and the fulfillment of the commodity turnover plan while guaranteeing the sale of all the commodities needed by the public, in conformity with the assortment lists. The income received from the sale of commodities and services will be made on the basis of the cost-accounting activity of the trade enterprises. Excluded from that income will be the circulation costs, consisting only of the material expenditures other than the expenses for payment of labor.

After payment of the deductions to the budget and to the centralized reserves and funds, and after the fulfillment of the pledges to the bank agencies, there will be formed a total amount of income remaining at the disposal of the trade enterprises for the formation of the labor payment fund and the fund for production and social development. Thus, it is planned to change over to the balance principle of formation of the enterprises' and organizations' own funds, to self-financing charged to earned funds. This pertains to several things -- to the development of the material-technical base, to working capital, to the payment of labor in all forms of payment, and to the satisfying of the collectives' social needs. Moreover, the difference between the penalties received and paid out will now pertain to the overall amount of trade income.

Provision has been made for simplifying the mechanism of issuing credit to trade organization, which issuance of credit will be carried out for the total project.

There has been a fundamental change in the procedure of forming funds for the payment of labor. Instead of the wage and material-incentive fund, provision is made for the creation of a single fund for the payment of the workers' labor, which fund includes both the payment according to the existing wage-

scale rates, and all types of bonuses, with this procedure applying to all categories of workers. It is also stipulated that the growth rates for the labor payment fund cannot exceed the growth rates for commodity turnover.

The choice of the system for paying labor is granted to the administrator of the trade organization, with a consideration of the possible additional payments for highly productive labor and for the combining of jobs.

The decree introduces additional payments and increases on the workers' salary rates by analogy with those existing under the new management conditions in industry. It has especially been noted that if the work indicators worsen, those additional payments are not made.

In order to eliminate excessive regulation in the work of the managers of trade organizations and enterprises, there will no longer be any limit on the number of workers, including the administrative apparatus, or the maximum appropriations for maintaining them.

The planning of the wage fund to pay the managerial workers and specialists at enterprises will be carried out on the basis of quotas in percentages of the fund for the payment of labor performed by all the workers. Within the confines of that fund the manager independently develops and approves the table of organization.

There has been an expansion of the opportunities for the trade enterprises in developing production assets and resolving social questions. The labor collectives will now expend the fund for production and social development independently. The basic attention at such time must be devoted to the construction of apartment buildings, children's institutions, medical treatment centers, and Pioneer camps.

Under the new conditions an enterprise that is operating well can increase, by drawing on its own funds, the quota of commodity reserves, and that will promote the expansion of the variety of commodities being sold. However, it must be kept in mind that an increase in the quota leads to a delay in the commodity turnover rate, and this, from the economical point of view, is not always justified. As is well known, in the 11th Five-Year Plan the growth of commodity reserves outstripped the growth of commodity turnover in retail trade by 6 percent.

The new economic mechanism requires a corresponding re-evaluation of the attitude toward the commercial activities of the trade enterprises and organizations, as well as the more purposeful work of carrying out the broad introduction into practice of progressive forms of organizing trade, and of improving the administrative structure. It is precisely here that one can find large reserves that must be activated.

It is well known that the size of the commodity turnover is determined to a decisive degree by the availability of the commodity reserves and by their structure and variety.

The decree stipulates the fundamental restructuring of the planning of production of consumer goods on the basis of the public's real demand. At the present time the basis on which the production associations form the plans for production of commodities, their variety, and quality must be the production order issued by the trade system, with a consideration of the results of wholesale fairs. It is forbidden at such time to include in the production plans any commodities for which there are no production orders from the trade system.

The measures of economic effect upon suppliers who violate the contract terms until recently have not promoted, as everyone knows, the strict fulfillment by industry of the pledges that it has taken. A fundamentally new principle is the one to the effect that the enterprises in retail and wholesale trade in such instances can sell the commodities either at the prices agreed on between trade and industry, or on a commission basis. The difference at such time between the existing retail prices and sale prices will be included in the results of the economic activities of the industrial enterprises.

At the same time it must be emphasized that the rights granted to trade increase the responsibility also of the trade enterprises themselves for the reliability of the requisitions and production orders for commodities. Under these conditions the questions that come into the foreground are those that involve the thorough study of the public's demand. It is well known, for example, that during recent years the value of unpopular, unsaleable commodities that are not moving in the trade system has been 2-3 billion rubles annually. To a certain degree these immobile resources are the result of our miscalculations. In order to sell these commodities, considerable appropriations are made from the state budget. At the present time the situation is changing fundamentally. Trade can independently reduce the prices of those commodities, but now it will be at trade's own expenses. Therefore it is necessary here to have efficient commercial analysis.

The changeover to economical management methods requires a different attitude on the part of the collectives and managers of trade enterprises and organizations toward the introduction into work practice of new progressive forms and methods of organizing trade processes.

It is necessary to concentrate efforts on the qualitative improvement of the makeup of the trade network, so that for every meter of increase in trade area, for every ruble of capital investments, it will be possible to obtain a greater volume of commodity turnover and to reduce the customers' time expenditures to purchase the commodities.

Where, then, are these reserves and what are the paths for implementing them?

First of all, they are the specialization of nonfood stores and the concentration of the sale there of articles produced by light industry and of technical complicated commodities. This will make it possible to improve the study of the customer's demand, to intensify the effect on industry, to guarantee the higher professional level of the sales persons, and consequently to increase the efficiency of the services provided.

The specialization of large stores makes it possible to change over to direct ties with the supplier and thus to reduce the path the articles must take from production to the customer. As a result there is an increase in the commodity turnover and a more complete satisfying of demand.

Here is a typical example. In Minsk, the population of which numbers approximately 1.5 million persons, refrigerators, vacuum cleaners, washing machines, and other household appliances used to be sold in 16 stores on an area of approximately 1600 square meters. The annual volume of sales of those commodities was 7.2 million rubles, and 100 persons were employed as sales persons. At the present time the trade in those commodities has been concentrated in a single specialized store with an area of 600 square meters; the sales have risen by 9.4 million rubles, or 30 percent; and now only 60 persons are engaged in the sale of the commodities.

In addition, the specialization of stores encourages the wholesale bases to work better, to guarantee the subdividing of commodities by grade or variety, and to introduce progressive technological schemes for moving commodities and advanced forms of commodity delivery.

Computations indicate that the specialization of stores and the concentration of the sale of technically complicated items make it possible to increase by a factor of 1.3-1.5 the retail commodity turnover per square meter, to increase by 10-15 percent the return on investments, and to reduce by 20-25 percent the customers' time expenditures for the purchase of commodities.

The work of organizing the efficient specialization of the trade network is a continuous, multilevel, comprehensive process that constantly poses the necessity of assuring the priority development of individual types of enterprises. These include stores specializing in the sale of commodities for children and for young men and women, specializing in the sale of fashionable items, articles for organizing the public's recreational time, and for developing amateur and technical creativity.

It is especially necessary to emphasize that the development of stores of the "Do It Yourself" and "Young Technician" type is a large source of commodity reserves, since it makes it possible to bring into circulation production waste products and substandard articles. In Belorussian SSR alone during the past year and a half the total value of such commodities drawn into circulation has been almost 11 million rubles.

Whereas for technically complicated commodities the principle of the specialization of the network and the concentration of sales is the determining one, in order to accelerate the sale of nonedible everyday commodities, as well as the sale of foodstuffs, the priority trend is to bring the sales locations as close as possible to the public.

Domestic and foreign experience has convincingly proven that this principle is realized to the greatest degree in stores of the self-service department store type and large food stores with a broad variety of commodities. Self-service department stores guarantee the comprehensive offering of edible and nonedible

commodities in a broad variety. This saves the customer the need to visit 5-6 ordinary-type stores every day. As a result the time saved in the purchasing of articles is reduced by 20 percent as compared with the time if the purchases had been made in self-service food stores or to two-fifths of the time as compared with stores that employ the traditional methods of selling commodities.

In self-service department stores the most favorable conditions have been created for introducing industrial technological methods for delivering and selling commodities in packaging equipment, for using progressive forms of services for the customers, and for rendering a broad variety of trade services. They guarantee a high level of mechanization of labor-intensive processes that make possible the most effective use of progressive types of equipment and machinery. When the situation is organized correctly, labor productivity in self-service department stores is 20-25 percent higher than in other types of food stores, and the profitability reaches 3.5-4.3 percent, instead of the 2 percent in ordinary food stores.

However, the advantages offered by the self-service department stores are by no means being used to the fullest extent so far. Important levers for increasing the work effectiveness of these enterprises are the efficient establishment of the variety of commodities and the constant renovation of that variety.

The expansion of the variety is promoted, in particular, by the organizing of sale in self-service department stores of output produced by public-nutrition enterprises -- bread and roll products, confectionery and culinary articles and partially cooked foods -- as well as the sale of fruits and vegetables. That path of creating such sources of additional variety and increasing commodity turnover has been taken by self-service department stores in Ukrainian, Belorussian, Lithuanian, and Estonian SSR.

A factor that is no less importance is the efficient combination in self-service department stores of the sale of edible and nonedible necessities of life. But the variety of nonedible commodities by no means has to be "related," as it unfortunately continues to seem to many people.

The benefit of selling nonedible necessities of life in self-service department stores is also attested to by the fact that, in addition to providing a social benefit, it also yields an economic one. According to data provided by UkrNIITOP, the sale of these commodities even in a limited variety increases the stores' profitability by 0.3-0.5 percent.

As has been shown by specialist computations, if the share of sales of nonedible commodities in the commodity turnover of self-service department stores and self-service food stores is respectively 10 and 5 percent, it is possible to receive, in annual terms, more than one billion rubles additionally.

At the present time, in the self-service department stores in Belorussian, Lithuanian, Latvian, and Estonian SSR, Kuybyshev and Sverdlovsk oblasts of RSFSR, and individual cities in Moldavian SSR, that indicator has reached 12-

15 percent, as compared with 6 percent for the country as a whole. Those stores sell everyday household articles, haberdashery articles, school and stationery articles, certain types of electrical appliances, sports articles, etc. The workers in the branch are faced with the task, during the 12th Five-Year Plan, of bringing the level of sales of everyday nonedible commodities in self-service department and food stores to 15-20 percent of the overall volume of commodity turnover.

A necessary condition for fulfilling those assignments is the organizing of efficient commodity supply. The delivery of nonedible commodities directly from wholesale bases in large consignments, without being subdivided by grades or varieties, required additional areas in the stores for storing the commodities and leads to an increase in reserves.

But when the supplying of nonedible commodities is organized from distribution warehouses, the level of the commodity reserves in the stores is reduced considerably and the commodity turnover rate is accelerated.

The self-service department stores and other stores equivalent to them also have considerable reserves in improving the organization of labor and employing progressive forms of material responsibility.

Many years of experience has confirmed the viability of self-service and its advantages. In self-service stores, as compared with ordinary ones, there is a 30-40 percent reduction in the customers' time expenditures for the purchase of commodities, and this makes it possible for a family to save more than 10 hours a week. The commodity turnover per square meter of trade space there is 1.5-2 times greater, and labor productivity is 10-15 percent higher than in ordinary stores.

The further development of self-service, to a certain degree, depends upon increasing the volumes of production of packaged commodities. The increase in their industrial production by 1990 to 60 percent will make it possible to increase the share of commodity sales by the self-service method to 67 percent, including an increase to 59 percent for food products.

But even under these conditions, trade retains the functions of packaging the commodities. The task consists in freeing the stores from this work, in centralizing the packaging on the city or rayon scale. This requires the creation of large-scale specialized shops where, as experience has indicated, the labor productivity is 3 times greater than in the store, and the expenditure of packaging materials is reduced by one-half.

A large reserve for increasing the customer handling capacity at the store and eliminating lines is the improvement of the work performed at the price-computation stations, in particular the introduction of single price-computation stations. What, in the final analysis, is provided by the conversion of nonfood stores to work according to the principle of the single price-computation station?

This eliminates cashiers in the individual sections and on the individual floors, and this frees additional sales space. It eliminates small-sized

sections and reduces the number of workers. It creates a single team with a limited number of materially responsible persons, and this, in turn, makes it possible to expand the service zones, to combine occupations on a broader scale, and to improve the use of work time. It reduces the amount of time needed to complete the purchases and increases the stores' customer handling capacity. And as a result it increases the service efficiency and, all other conditions being equal, increases the commodity turnover considerably.

It must be emphasized that changing over the enterprises to work with a single price-computation station is not the simple concentration of cashier offices somewhere in a single location. This process is linked with making a break with the well-established sales procedure that developed over the years. It is necessary to prepare carefully for this. It is necessary to carry out well-argued explanatory work among the collectives.

The conversion of the nonfood stores to operation with a single price-computation station everywhere must become the general trend in improving the technological processes in trade. It is necessary to assure that that work is headed by the first managers of the trade enterprises and organizations at all levels.

There are indisputable social and economic advantages to the application of through-shipment delivery and sale of commodities in packaging equipment. When this technological method is employed correctly, the real effectiveness reaches approximately 90 ruble for each unit of packaging equipment; this also improves the use of the sales and warehouse areas. The commodity turnover per square meter of sales area increases by 18-20 percent; the volume of saleable items that can be placed on the same areas triples; and the amount of time spent by the customers to buy the goods is reduced by one-half. In addition, there is a 30-35 percent increase in the efficient use of the motor transport, the working conditions improve, and a number of workers are released for other operations.

In the 12th Five-Year Plan, the progressive technological methods for moving commodities with the use of packaging equipment must be introduced in 85 cities throughout our country. Computations indicate that the introduction of this program will make it possible conventionally to release more than 100,000 persons, to reduce the need for transport by one-half, and to save more than 300,000 tons of paper. The total economic benefit is determined to be almost 300 million rubles.

A very important reserve for the intensification of the branch is the further improvement of trade administration, which is an area to which the 27th CPSU Congress assigned a leading role in the restructuring of the economic mechanism.

Previously the questions of improving the administration of trade in the republics were resolved within the confines of the general administrative schemes, the result of the introduction of which was the consolidation of the trade organizations, the creation in foodstuff trade of multipurpose associations, and in nonfoodstuff trade, the creation of specialized associations for the sale of individual commodity groups. Other progressive

organizational forms also received development: cost-accounting trade administrations at city ispolkoms, and wholesale-retail associations.

However, in many cities throughout the country, enterprises in the workers' supply system and the consumer cooperative system continue to function in parallel with the local torgs. The trade systems of various departmental subordination have their own administrative agencies and their own warehouse management, and this leads to the unjustified dispersal of labor, material, and monetary resources. The parallelism also leads to the dispersal of commodity resources, to the increase in reserves, and to the slowing down of the commodity turnover rate.

The January 1982 decree of the CPSU Central Committee and USSR Council of Ministers granted the right to the union republic councils of ministers to make a decision about transferring the trade and public-nutrition enterprises that were under the jurisdiction of the union and union-republic ministries and departments of the USSR to republic and local subordination. Therefore it is necessary more persistently to strive in the republics for a situation in which the local agencies make the decisions concerning the elimination of duplication in the operation of the trade systems within the confines of the general schemes for the administration of trade.

There is also parallelism within the system of local torgs. In many cities throughout the country, specialized torgs for the sale of edible commodities continue to function alongside of rayon foodstuff torgs.

Under conditions of the changeover to the new management methods, another question that requires resolution is the question of improving the forms of interaction between retail and wholesale trade.

The disconnection between the indicators for evaluating the activities of the wholesale and retail enterprises and organizations leads to a situation in which the plans for wholesale commodity turnover are guaranteed even when the plans for retail commodity turnover are not fulfilled. Thus, the fulfillment of the wholesale commodity turnover plan for republic wholesale organizations was from 100.8 percent in 1982 to 102.8 percent in 1985, whereas the retail commodity turnover plan during that entire period was not fulfilled.

The lack of conformity of the final goals in the work results of the wholesale and retail organizations reduces the role and responsibility of the wholesale link for organizing the commodity supply of the retail network, fails to promote the acceleration of the turnover rate of the commodities in the stores, and has a detrimental effect upon increasing the effectiveness of the use of fixed assets and working capital.

The share of warehouse commodity turnover in 1958 in the overall commodity turnover of the wholesale organizations in the republics came to 45 percent, and the through shipments, with and without participation in the settlements, came respectively to 39 and 16 percent. At the present time the share of warehouse commodity turnover has dropped to 42 percent; through shipments with

participation in the settlements have dropped to 21 percent, and the share of through shipments without participation in the settlements has more than doubled, and has reached 37 percent.

The assignments being established in the republics for developing warehouse commodity turnover are regularly not fulfilled by most of the republic wholesale offices. This leads to the outstripping growth of the warehouse areas at the retail trade organizations and to an increase in the number of links involved in commodity movement and an increase in the handling costs. During the years of the 11th Five-Year Plan the increase in the warehouse areas in wholesale trade came to 0.78 million square meters, and in retail trade, 2.84 million square meters, or 3.6 times more. The handling costs in wholesale trade increased by 2.1 percent, and in retail, by 31 percent.

Most of these shortcomings in the interaction between wholesale and retail trade are precluded when wholesale-retail associations are created.

For example, whereas in 1985 the trade ministries of the union republic fulfilled the commodity turnover plan on the whole by 97.4 percent, the wholesale-retail associations fulfilled it by 101.5 percent, including Sporttovary Association, 102.3; Mebel Association, 101.2; Obuv Association, by 101.2; and Odezhda Association by 100.5 percent.

The creation of wholesale-retail associations has had a positive effect upon increasing the production of commodities and upon the renewing and expansion of the variety, and has promoted the more complete satisfying of the public's demand.

Whereas in Ukrainian SSR in 1966 commodities intended for sports purposes were produced by 145 industrial enterprises, with that production totaling 93.1 million rubles, by 1986 the number of enterprises had sextupled, and the production volumes had increased by a factor of 15. There was an increase by a factor of 10 in the number of different sports commodities. The number of stores in the Sporttovary Association increased by 3.5 times; their sales area by 6.5 times; and the average area of the store almost doubled.

The further development of wholesale-retail associations is linked with the need to define a number of fundamental approaches to the resolution of this problem. In republics that are divided into oblasts, for example, the transfer of the stores to the jurisdiction of the republic wholesale-retail associations can lead to their separation from the local soviet agencies and corresponding oblast agencies responsible for the administration of trade, and can lead to the fractionation of the local torgs and to the complication of the time-responsive administration of trade.

Therefore it would seem to be desirable to create, in republics that are divided into oblasts, to create wholesale-retail associations at the oblast level with their direct subordination to the trade administrations of the oblast or kray ispolkoms, and in republics that are not divided into oblasts, on the republic level with their direct subordination to the trade ministries of the union republics.

With this organizational form of administration of wholesale and retail trade in the republics that are divided into oblasts there arises the need to concentrate the commercial functions that are carried out by the republic wholesale organizations directly in the commodity subdivisions of the apparatus at the trade ministries of the union republics. At the present time the work of the commodity administrations of the union republic trade ministries and the republic wholesale offices is being largely duplicated, and this reduces the responsibility borne by those agencies for the state of affairs.

The board of USSR Ministry of Trade, after considering the question of improving the organizational forms of interrelationships between wholesale and retail trade, recommended to the union republic trade ministries that they prepare for the organizing in 1987 of wholesale-retail associations specializing in the sale of furniture, sports articles, footwear, clothing, household commodities, and commodities intended for cultural purposes.

The multifaceted and extensive restructuring of the entire system of trade activity must be accompanied everywhere by the systematic and meaningful study and dissemination of advanced experience, by serious professional training, and a large amount of educational work in all the trade collectives. The successful resolution of the complicated and responsible tasks that are confronting us requires a healthy moral climate and a high level of professional skills on the part of the trade collectives, and the human factor plays a first-priority role at such time, because the restructuring of wholesale activity must proceed simultaneously from the top and from the bottom, and must encompass all echelons of administering the branch. A large amount of work lies ahead. It is the duty of the trade workers to fulfill with distinction the responsible tasks that are confronting them.

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GOODS PRODUCTION, DISTRIBUTION

TRADE TURNOVER FIGURES FROM JANUARY-NOVEMBER 1986

Moscow SOVETSKAYA TORGOVLYA in Russian 16 Dec 86 p 1

[Article: "USSR TsSU (Central Statistical Administration) Reports"]

[Text] Plan Fulfillment of Retail Trade Turnover for Union Republics For January-November 1986

	Actual trade turnover volume (billion rubles)	Percent of plan fulfillment		Jan.-Nov.'86 in percentages compared to Jan.-Nov.'85 (in comparative prices)	
		Total trade turnover volume	Minus sale of alcoholic beverages	Total trade turnover volume	Minus sale of alcoholic beverages
USSR	302.4	100.7	100.8	105.3	107.1
RSFSR	165.6	100.9	101.0	106.5	107.5
Ukrainian SSR	50.8	100.3	100.3	105.8	106.4
Belorussian SSR	11.2	99.9	99.8	107.5	108.7
Uzbek SSR	12.6	100.2	100.3	107.1	107.6
Kazakh SSR	14.2	102.0	102.3	106.2	107.1
Georgian SSR	4.8	97.7	97.6	106.3	106.5
Azerbaijan SSR	4.2	95.7	95.4	105.6	106.0
Lithuanian SSR	4.6	100.9	101.0	106.7	107.9
Moldavian SSR	3.9	102.1	102.2	105.9	106.2
Latvian SSR	3.9	100.2	100.2	105.4	106.3
Kirghiz SSR	2.9	101.0	101.1	107.8	108.5
Tajik SSR	2.8	101.0	101.1	107.5	107.9
Armenian SSR	2.9	98.6	98.5	107.5	108.2
Turkmen SSR	2.4	99.0	98.9	110.1	111.1
Estonian SSR	2.4	102.2	102.5	105.7	106.7

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GOODS PRODUCTION, DISTRIBUTION

TV AIRS DISCUSSION OF STATE ACCEPTANCE SERVICE

LD270033 [Editorial Report] Moscow Television Service in Russian at 1600 GMT on 26 December 1986 carries a 90-minute scheduled program entitled: "Speaking to the Point: State Acceptance--Is Everything Ready?"

Viktor Prokofyevich Beketov chairs this studio discussion on the runup of the introduction of the State Acceptance System. The following are guests in the studio: Karatay Turysovich Turysov, secretary of AUCCTU; Boris Nikolayevich Gavrilov, deputy chairman of the USSR State Committee for Labor and Social Problems; Boris Nikhaylovich Yakovlev, deputy chairman of the USSR State Committee for Material and Technical Supply; Igor Ivanovich Isayev, deputy chairman of the USSR State Committee for Standards; Boris Sergeyevich Migachev, chief of the main directorate for state acceptance of the State Committee for Standards; and Viktor Yakovlevich Belobragin, chief of the directorate for state supervision and for territorial bodies of the State Committee for Standards.

There are also films and live relays from a number of enterprises illustrating how the new system is working. A studio artist provides on-the-spot cartoons satirizing some of the problems discussed.

Beketov notes that at 19 enterprises the State Acceptance Service has already been introduced experimentally. He asks: "Is everything ready in the State Acceptance Service itself? Can it go about its duties from the start of January fully and comprehensively?"

Migachev replies: "It is a well-known fact that the working readiness of any organization is defined above all by the number of staff available and the availability of the means to meet the tasks which the collective has been set. It must be said that all 1,500 of our State Acceptance bodies are fully staffed by highly-skilled specialists, who have come straight from production and naturally have great practical experience. As of today, we have a 95 percent full complement of staff for these State Acceptance bodies.

"We have conducted a large amount of preparatory work with the managers. They all underwent a special 2-week course of training to learn about the methods and forms of State Acceptance at institutes of the USSR State Committee for Standards. Our bodies are now provided with the organizational and methodological documentation defining the essence of this work. The main one, as one knows, is the GOST State All-Union Standard which defines the rules for the state acceptance of items.

"The work stations and test rigs for the work of the State Acceptance Service have been organized in the main, with a small number of exceptions, of course. We now have stable communications with all 1,500 acceptance bodies, and we have the necessary information about what is happening locally.

"Of course, we also have problems. The main problem is that we need to turn, or rather to convert, yesterday's worker from the enterprise more rapidly into an objective representative of State Acceptance who must on the one hand be involved in the production of high-quality output, and on the other hand erect a firm barrier against defective goods."

Igor Ivanovich Isayev, deputy chairman of the USSR State Committee for Standards, comments on how enterprises have prepared for the introduction of the State Acceptance system: "The enterprises switching to work under State Acceptance conditions were given time to prepare. Several months before the official date for the introduction of the State Acceptance System--1 January--practical work began at the overwhelming majority of enterprises to check their own readiness and to test the production capabilities for work in the new conditions."

Isayev says ministries, party-economic activists of republics, oblasts and towns, open party meetings, labor collectives and itinerant sessions of the bureaus of rayon party committees were all involved in the preparatory work: "Through joint efforts we have managed gradually to adjust labor collectives to State Acceptance conditions. Thus, the first steps of the State Acceptance system have already been taken. The results of these trials show how complex and serious the problem of quality is. Our extremely instructive experiment shows that a great deal has been done, but work still remains. This is confirmed, inter alia, by the fact that initially not a single one of the enterprises managed to have all its output accepted at the first attempt. At the early stage, there were delays in the output of good-quality finished items, not because the State Acceptance service rejected a lot of items as defective, but because the enterprises themselves, the enterprises' own services, were more scrupulous in testing their own output. "The second conclusion--of equally great importance--is that the exactingness of workers and ordinary employees toward their immediate managers--the heads of workshops and work areas, foremen, all the work services, the repair workers, the suppliers, the norm-setters, economists, planners and all those who must create the conditions for good, creative work--has steeply increased. The restructuring has come up against years of accumulated complacency, cosy habits and conciliatory attitudes to shortcomings and violators of discipline. It must be said that certain enterprises--like the poor student before an examination--found themselves short of time to prepare. And they are not averse to putting off 1 January and the arrival of the New Year so as not to have to introduce the State Acceptance system fully."

Isayev continues by saying that "There are enterprises today--a very small proportion, but they do exist--that have failed to submit their output to the State Acceptance system a single time. We do not of course understand how a labor collective can get ready if it has not been given a single practical tryout. The management and collective of, for instance, the

Tbilisi "Kirov" machine-tool works and the Zhesart plywood works in the Komi ASSR are going to be forced, from 1 January, to make a 100 percent switch-over.

To a comment by Beketov that this would be like "jumping in without a rehearsal," Isayev says: "And at the same time, experience shows that there are real opportunities for an increase in quality. At many enterprises over a short period of time there has been a drop in losses resulting from defective output, discipline has been tightened up, and the breaching of standards has been practically eliminated. As a result, a large percentage of output is being accepted at the first attempt. Thus, there are every grounds for looking to the future with optimism."

A film then describes problems at the Brestselmash works deriving from irregular supplies of control boxes from the Lutsk electric motor works. In Lutsk it turns out that the Yerevan Instrument-Making Works is supplying Lutsk with faulty heat regulators. A Yerevan works official blames the poor design of the instrument, noting that the rate of defective output sent to Lutsk has dropped from 85 percent to 14.5 percent recently. A Brestselmash official says in a telephone call from the Yerevan works is sending out up to 80 percent of defective instruments.

There is then a hook-up with three enterprises--the VEF works in Riga, the Dzerzhinskkhimmash works, and Moscow's "Salyut" garment association--that discuss problems with their suppliers.

Boris Mikhaylovich Yakovlev, deputy chairman of the USSR State Committee for Material and Technical Supply, said: "Much work has been done lately to increase the responsibility of suppliers for fully meeting contractual obligations. From next year, from 1 January, by the way, the following provision will come into effect: It will be necessary to meet contractual obligations by 100 percent, both for types of goods and range. Moreover, if an enterprise fulfills obligations by 100 percent it immediately gets incentives--the collective's material incentive fund increases by 15 percent. Conversely, if it fails to meet its obligations by even 1 percent, for each percentage of nondelivery it loses 3 percent from the material incentive fund. Thus, enterprises that fail to meet their contractual obligations lose out on their material incentive funds. Moreover, there is also the provision that if an enterprise supplies items and the supplier [as heard] then determines that they do not meet the GOST standard, the plan fulfillment of the supplier is rendered void. In addition, if the supplier refuses to deliver the goods, and the production of these goods has been entered in the plan, this also counts as nonfulfillment of the plan. So many such measures are being implemented, designed to oblige the suppliers to fulfill contractual obligations on time, fully and to a high standard of quality."

Karatay Turysovich Turysov then expands on the value of socialist competition. Boris Nikolayevich Gavrilov, deputy chairman of the USSR State Committee for Labour and Social Problems, notes that "a works must not be forced to pay for the poor-quality output of a supplier." "In this regard there have for a lengthy period of time been flaws in our economic mechanism. Today, a

whole series of new decisions has been adopted concerning the economic mechanism to ensure that enterprises have a direct incentive to turn out high-quality goods, and to ensure that those that supply poor-quality goods are implacably punished. Thus, economic incentive funds today depend directly on the extent of losses borne by the enterprises that receive poor-quality items. This is an economic measure under which the total losses deriving for the supply of poor-quality goods are compensated for by the enterprise that supplied the goods from the profits that would have gone into the material incentive funds.

This means that people who supply poor-quality goods must pay for it. The whole labor collective must pay for it with the crash that goes towards its pay. This is economically just. A whole series of other economic levers has been put in place to provide incentives for the collective today--both incentives for increasing the output of high-quality items, with a consequent increase in the material incentive fund, and implacable economic penalties for supplying poor-quality goods. Take teams, the primary elements of our labor collectives. Collective accountability has now been established for the production of poor-quality goods on the part of the team. If the team supplies poor-quality goods that it has produced to another team in the technological chain--we have been talking today about the Workers Baton principle in the technological chain--all the losses arising from the poor quality of the items are borne by the team as a whole. Inside the team, it is left to determine the economic responsibility, the material responsibility of the culprit, distributing pay on the basis of the coefficient of labor participation since it will thus have reduced its earnings. There are also other economic incentives to prompt workers, to encourage them directly to work to a high standard of quality: material incentives for one's personal stamp, for a team stamp and for team presentation of goods, by-passing the technical control department."

Further hook-ups with the three enterprises then deal with the desirable qualifications of technical control staff at enterprises, and with local problems at the enterprises, which are commented on by the studio panel.

Recorded interviews are played from a Penza conference of technical control department chiefs. Beketov comments that whereas in the past a debate has raged on whether the State Acceptance Service should replace the technical control facilities of enterprises, it is now clear that the State Acceptance Service must coexist with the enterprises' own control.

Viktor Yakovlevich Belobragin, now described as: chief of the All-Union Council of Technical Control Department Chiefs, notes that the role of the technical control departments is "increasing considerably": where State Acceptance is introduced, their job becomes more responsible. The technical facilities of the technical control departments should be improved.

A report from the Odessa October Revolution footwear production association reveals that the factory is not ready for State Acceptance on 1 January. Boris Sergeyevich Migachev berates the enterprise managers involved for their "irresponsible attitude, above all to the quality of their goods." He says

that the enterprise had been introduced to start switching to State Acceptance 2 and 1/2 months ago: "This irresponsibility must be penalized, and the State Acceptance system will penalize it. If poor quality output continues to be turned out and if they decide to depart from the technical normative documentation in production, the state economic mechanism of wholesale price reductions will come into operation. They collective and the managers, above all, must of course bear the responsibility for the production of poor quality goods."

Concluding the discussion, Igor Ivanovich Isayev expresses the hope that quality will remain in the forefront of people's attention.

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FUELS

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COAL MINISTER CALLS FOR ACCELERATED EKIBASTUZ DEVELOPMENT

Moscow UGOL in Russian No 11, Nov 86 pp 3-8

[Article by M. I. Shchadov, USSR Minister of Coal Industry: "Problems of Accelerating Scientific and Technical Progress in the Ekibastuz Coal Basin"]

[Text] "Accelerate development of the Kuznetsk, Ekibastuz, Kansk-Achinsk and other coal basins of East Siberia and the Far East" (from the Main Directions for Economic and Social Development of the USSR for 1986-1990 and During the Period up to the Year 2000).

The national economic significance of the Ekibastuz coal basin in the country's fuel and power balance is determined by its geographical location--in a region of vigorously developing industry with a large number of thermal electric-power stations--and by coal deposits that are unique in size and whose quality allows the coal to be transported over relatively great distances.

Ekibastuz's workable coal reserves total more than 10 billion tons. Annual recovery has reached the 80-million ton level, and today 220,000-240,000 tons of coal are being sent daily to customers.

The mine geology involved in the deposition of the Ekibastuz basin's coal dictates the desirability of greatly concentrating mining output and creating high-capacity strip mines. Three coal strip mines--the Bogatyr, Severnyy and Vostochnyy--are now in operation here. The mine of highest capacity, the Bogatyr, has exceeded its design capacity, reaching an annual productivity of 56 million tons, and it is the world's largest. The positive operating experience that has been gained and the potential of the mining equipment will enable this strip mine's productive capacity to be greatly increased later.

The nature of the deposition of Ekibastuz's coal has occasioned a relatively low stripping factor in the first stages of developing the reserves. This factor does not at present exceed 1 m³/ton. Nevertheless, the absolute amounts of stripping work are great (in proportion to mining volume) and, moreover, they are distinguished by high concentration.

The Ekibastuz basin now has the industry's lowest prime cost for mining coal and the labor productivity achieved exceeds the country's average 2-fold to 3-fold.

At the same time, the mining-geology of the deposition of Ekibastuz-coal is marked by many peculiarities which complicate the conduct and development of mining operations. These include primarily the angle of deposition of the coal seams, which varies from 0 to 90 degrees (primarily 20-25 degrees), and the complicated structure of the coal deposits, which often are characterized by interbedding of the coal and high-hardness of coallike rocks.

The sloping deposition of the coal seams leads to a constant increase in the strip mine's depth, the necessity for frequent (every 1.5-2 years) development and buildup of transport facilities for the new horizons, and a constant increase in stripping work and in the length of the transporting lines over which the coal and stripped rock are removed from the mine.

The complicated structural nature of the coal seams and the strength properties of the country rock necessitates the use of special excavating equipment of increased specific force per scoop, the conduct of drilling and blasting, and the adoption of special measures for ensuring the quality of the coal shipped (as to ash content and lump size).

The region's severe climate also complicates mine-work organization, especially in the winter, which is characterized by low (down to -40 to -45 degrees C) temperatures, strong winds, snowstorms and snowdrifts.

In the preceding 30-year period of the basin's development, more than 1 billion tons of coal have been mined and 1.2 billion m³ of overburden have been handled. The specifics of the Ekibastuz coal field have dictated the direction of its development. The greatest achievement of this period was the development and wide introduction of mining technology that uses rotary excavators, which load the coal into MPS [Ministry of Railway] cars directly at the mine face. Rotary excavators of increased scooping force that are applicable to this technology and to the conditions of Ekibastuz's strip mines were created in the USSR and GDR and have been assimilated. The most successful models have been such machines as the ERP-1250, ERSRD-5000 and SPs(k)-2000 excavators.

The introduction of coal-mining technology that uses rotary excavators enabled the equipment's unit capacity to be raised above that of the traditional method of digging coal with single-bucket excavators, the height and width of stopes to be increased, the length and number of moves of the transport lines to be reduced, mine faces to be chosen selectively for development, and the prescribed coal-lump sizes to be obtained directly at the mine face, thereby reducing the amounts of drilling and blasting, and so on. As a result, absolute mining volume in the basin increased substantially, while a sufficiently high level of basic technical and economic indicators was being maintained.

The wide introduction of this technology, which came in the 1970's, was at the time a progressive scientific and technical move that supported Ekibastuz-basin development. The share of coal mining in the basin that used rotary excavators reached 90 percent. The average annual increase in mining was 3-5 percent. The productive capacity for mining coal with the use of this technology was brought up to 73 million tons, 51 million of which were mined at the Bogatyr strip mine. Actual mining volume exceeded considerably the strip mines' design capacity by 7-11 percent.

While it played a progressive role at a certain stage of development of the Ekibastuz coal basin, the technology adopted for mining the coal has, up to the present, also displayed definite deficiencies that hinder further intensive development of Ekibastuz coal strip mines. These include primarily a basic failure of the continuous operation feature of the rotary excavators to correspond with the cyclic nature of the loading and transporting equipment and with the excavators' own rail transport. The greater the rotary excavator's unit capacity and the greater the absolute amount of mining at the strip mine, the more this feature manifests itself. This imbalance leads to major interruptions in rotary-excavator operation during the exchange of empties for loading. These interruptions usually exceed the machine's operating time. This deficiency has to be compensated for by an increase in the number of mining-equipment sets at the strip mine, and this in turn complicates work organization and the conduct of planned preventive maintenance, and leads to an increase in the number of servicing personnel. As a result, the utilization coefficient of the main operating equipment is extremely low.

It is desirable to evaluate the effectiveness of excavator-equipment use by the utilization factor of its rated productivity $K_{\text{м.п.}}$, which is understood to be the ratio of the actual annual productivity of the excavator to the maximum possible value that could be achieved if the excavator had worked throughout the year under the specified conditions without any worktime losses. The indicator for utilization of calendar time that the branch now uses does not reflect the essence of the production processes and does not allow the level of mining-equipment utilization to be evaluated objectively. Unlike this indicator, the coefficient of utilization of rated productivity $K_{\text{м.п.}}$ reflects the level of the excavator's execution of its basic mission--realization of the volume of operations on the final product (the material extracted). The actual values of $K_{\text{м.п.}}$ that are achieved by rotary excavators of the Ekibastuz coal basin are extremely low, being about 0.2-0.25. In this case, a trend toward a reduction as the depth of the strip mines' working zones increases is manifested.

One can note in comparison that the actual value of $K_{\text{м.п.}}$ with the use of rotary excavators in combination with conveyORIZED transport (for stripping work) exceeds 1.5-fold to 2-fold similar indicators for the use of rail transport.

Moreover, under the technology adopted for mining and for the use of rail transport, these deficiencies, which are inherent for this type of transport, such as low reliability, especially in the winter, low labor productivity of the servicing personnel, the low level of mechanization of labor-intensive processes, the large share of manual labor, and the high operating outlays, manifest themselves increasingly strongly as the depth of the strip mine increases. These deficiencies also relate fully to the operating scheme for the stripping work, using single-bucket quarry-type excavators in combination with rail transport that has been adopted at Ekibastuz basin strip mines.

In characterizing the technical level of mining production at existing Ekibastuzgol [Ekibastuz Coal-Mining Association] strip mines as a whole, it should be noted that the technology adopted for stripping and mining operation with the use of rail transport, the technical level of the mechanized complexes that are used, the system for technical servicing and repair of

equipment, the organizational structure, and the methods and means for managing production cannot compensate for the natural complexity of the mining engineering conditions and provide the necessary technical and economic level for mining Ekibastuz coal.

In connection with what has been said, it is necessary to dwell on certain problems associated with the coal industry's realization of 27th CPSU Congress decisions, which define intensification of production, based upon scientific and technical progress, as the basic direction for developing all branches of the national economy.

The opinion exists that complications of the mine-geology conditions of mining enterprises objectively excuse the worsening of technical and economic indicators of their operation, but maintenance of mining at the prescribed level should be provided for by appropriate increases in production capital and worker manning; an overall improvement of the indicators of the branch's work and its development should be provided for by the introduction of new production capacity in favorable mine-geology conditions and with progressive equipment. However, such extensive concepts of development can no longer be justified today. It is obvious that scientific and technical progress in mining affairs should be aimed primarily at neutralization of the negative influence of the worsening natural conditions and other factors and should provide for intensive and effective development of production. This is precisely the basic direction of all measures for scientific and technical progress, and their effectiveness and desirability should be evaluated from these standpoints.

The solution of the problems of rebuilding existing enterprises should also be approached from these same standpoints, which should not be in the nature of a simple replacement of equipment that is worn or whose service life has expired by new equipment. Rebuilding should, as a rule, call for a qualitative change in production and radical and effective improvement of the technology for performing mining operations.

After the Vostochnyy strip mine, whose construction is being completed, is put into operation, the rebuilding of existing strip mines will become the basic direction for further intensive development of the Ekibastuz coal basin. Given the worsening mine-technology situation, the buildup in absolute mining volume and improvement of the main technical and economic indicators for production should be provided for mainly by rebuilding and by using effective engineering solutions in the area of creating new mining equipment and technology.

The current period is transitional for Ekibastuz, as it is for the country's whole economy. The urgent requirement for radical technological improvement of the process of excavating coal at Ekibastuz's strip mines coincided objectively with the restructuring of the country's whole economic mechanism, based upon the acceleration of scientific and technical progress and intensification of production that was called for by the 27th CPSU Congress. Taking into account the role which is assigned to ETEK [Ekibastuz Fuel and Power Complex] in developing the country's fuel and power base, against the background of the economic goals established for the national economy, extremely severe demands are being made on the level and the dynamics of change of the basic technical and economic indicators of open-pit coal mining in

the basin. The effectiveness of capital investment, which is to be concentrated on the updating of fixed production capital, is to be raised; the share of resources devoted to reequipping and rebuilding enterprises is to be increased considerably, and the time taken to recoup capital investment is to be reduced. The use of production capital must be improved, production capacity and equipment must be given full workloads, and the yield on capital must be increased. The question of raising labor productivity considerably is one of the most important ones.

Searches for ways to further develop the Ekibastuz complex's operating base in the indicated directions must be made, based upon a detailed analysis of the experience accumulated at the association's strip mines, the principles of establishing work zones, trends in developing new types of mining and transport equipment, and progressive methods and means for organizing and controlling production.

The backlog of previously accomplished scientific and technological work that has been created and the experience gained in branches of the mining industry in the Soviet Union and abroad will enable the main directions and paths for intensifying mining operations in the Ekibastuz coal basin to be formulated today. One of them is the use of flowline and cyclic-flowline technology for performing mining and stripping operations, with conveyorization of transport, which was called for by the Main Directions for the Economic and Social Development of the USSR for 1986-1990 and During the Period up to the Year 2000. It is precisely this technology that will enable maximum automation of control processes, a high degree of equipment utilization, and the highest level of labor productivity. The creation and introduction of such technologies should be based upon new principles for establishing operating schemes, the use of a highly productive complex of continuous-operation equipment for hard bituminous coal and for rock, new models of stationary and self-propelled crushing and loading installations and units, and modern automated systems for controlling equipment and technological processes. Schemes for flowline technology related to mining work should be brought up to the stage of industrial application at Ekibastuz during the current five-year plan, with a view to receiving further priority development in the basin.

The first of four phases of the new Vostochnyy strip mine, the floor of which is adjacent to the eastern end of the Bogatyr strip mine, was turned over for operation in 1985, the second at the start of 1986. Unlike the complicated hypsometry of the seams on the floor of the Bogatyr strip mine, those of the Vostochnyy are quite consistent in both dip and strike. This has enabled the country for the first time to use completely flowline technology for mining operations with conveyorized transport--from the mine face to the points for loading the coal into MPS cars.

Equipment complexes consisting of SRs(k)-2000 rotary excavators, BRs(k)-2000.65 mine-face reloaders, ARs(k) -5500.95 interbench loaders, conveyor systems of 5,250 m³/hr productivity, and equipment for piling and blending storage sites, to include conveyors, pilemakers, and drum-type blending and loading machines, and loading points for P-4V type coal and for stripped interior rocks, have been created in accordance with USSR Minugleprom [Ministry of Coal Industry] specifications and shipped to the strip mines.

A distinctive feature of the flowline technology adopted is the relative stability of the technical and economic indicators under the mine-engineering conditions, which become more complicated as mining depth increases, with much greater intensiveness in working the strip mine's floor (1.8-fold more than at the Bogatyr strip mine). Moreover, where there is coal storage, the use of conveyor transport allows uninterrupted operation of the complex for a much longer time than rail transport does and allows the degree of use of the basic operating equipment to be increased.

The scientific bases for using flowline technology at fields of the existing type exists only in the excavation stage. In this connection, during design a large number of variants of operating schemes were examined; nevertheless, the scheme adopted in the design proved to be excessively complicated and labor consuming. Original operating schemes that are simpler and more effective have been proposed recently for the Vostochnyy mine environment, on the basis of which the technology adopted in the design can be improved. Analyses indicate that their use will enable yield on capital to be improved considerably and the prime production cost and the labor intensiveness of coal mining to be reduced.

A basically new operating scheme with a diagonal work front is of special interest. Under this scheme the strip-mine floor is divided along its length into four independent sections that have a constant individual transport (conveyor) tie with the blending and loading complex (UPK) on the surface. Each of the sections is stripped by inclined trenches that are equipped with elevating conveyors. In operation at the sections are continuous-operation equipment complexes, which consist of a rotary excavator, a mine-face reloader, an interbench reloader (periodically) and a system of two or three conveyors (mine-face, elevating and mainline-transport). The elevating and the mainline conveyors are interfaced with the UPK's distributing conveyor stations on the surface.

The coal is worked on one bench 7 meters high (the height of a layer excavated by an SRs(k)-2000 rotary excavator). Thanks to this, the mine face's maximum coefficient is achieved and the mining work is intensified with just insignificant stoppages of the complex for extending the elevating conveyor.

The original principles incorporated in the new technology permit the elimination of: operational reassembly of the conveyors at the strip mine; the connecting conveyors and one mine-face conveyor from each complex; the development of horizons as an individual process; and stiffness and arrhythmia of the mining-operations technology throughout the strip mine as a whole.

The scheme examined does not exceed the designed scheme in all its components; more frequent extension of the elevating conveyors and a greater number of moves of the mine-face conveyors are characteristic of it. However, it provides an extremely tangible improvement of the strip mine's indicators: a 3-fold reduction in the labor intensiveness of auxiliary conveyor-transport operations; a reduction in the number of conveyor flights by 12; a 1.3-fold reduction in the energy intensiveness of transport work; and rises in the labor productivity of mining operations, in the reliability and stability of the mining process, and in the intensiveness of advancing the work front.

The scheme can be the basic one for developing a unified technology for mining operations for the southern group of Ekibastuz strip mines.

In order to use the potential of rotary excavators more completely and to increase stability in loading coal, it is apparently desirable to increase the capacity of the storages for the blending and loading complex.

Initial experience in using flowline technology for mining and in operating at the Vostochnyy strip mine of the equipment that has been created has indicated its basic efficiency, effectiveness and promise for the Ekibastuz and other fields of the country.

Scientific-research and design work on the creation of operating schemes and the equipment necessary for mining and transporting the coal (by means of ribbon conveyors) that are applicable to the specific conditions of the Bogatyr and Severnyy strip mines should be pursued more energetically. The design solutions for these strip mines that were adopted in 1986 cover the nearest time frame for rebuilding them and call for a stage of regularization of existing mine facilities that is inevitable if the technology is to be improved radically. The designers, jointly with the association's engineering board, have found interesting solutions which will enable the strip mine's designed capacity to be increased and the technical and economic indicators for mining to be improved with relatively little capital investment.

Given the prevailing mining-operations technology, these solutions consist primarily in modernization of the pool of excavator, transport and dump equipment, separation of the coal and overburden traffic, conversion to the development of new horizons with rotary excavators--using interbench MPU-5000/28 bridge-type reloaders, the organization of second tiers at dumps with the use of draglines, and so on.

Thus, by the middle of the 13th Five-Year Plan, first the Bogatyr strip mine and then the Severnyy will be prepared for the next stage of rebuilding--conversion to flowline and cyclic-flowline technology. The necessary design documentation should be developed by the start of the next five-year plan.

New ideas in the area of both flowline operating schemes and the rebuilding of machinery and equipment should be evaluated and considered especially thoroughly in the master scheme for developing the basin that is now being worked out.

Given the system and means for doing mining work that exist at the Bogatyr strip mine, the potential of the high-powered ERShRD-5000 and SRs(k)-2000 rotary excavators is not being used completely from the point of view of the height of the slopes being worked. Instead of slopes 28-30 meters high, which are workable, given the machinery's parameters, the work is being done, as a rule, on slopes 20 meters high, a situation that is closely related to the failure to solve the problems of developing new horizons. Poorly productive single-bucket EKG-6.3U excavators and the SRs(k)-470 rotary excavator are being used in unison with a combination of reloading, transloading and loading machines, with repeated relaying of the railroad tracks, for this important industrial operation.

Imperfection of the equipment and technology for developing new horizons even today is restricting the strip mine's productivity and degrades the technical and economic indicators of its operation. Because of this, the creation and testing of the high-powered bridge-type (interbench) MPU-5000 loading unit, which is being created by domestic industry especially for the Bogatyr strip mine and which is original in design and in technological regards, must be boosted. The use of such machines at the strip mine will provide for:

radical improvement of the technology for developing new horizons (without the intermediate laying of railroad tracks), with use of the highly productive SRs(k)-2000 rotary excavators;

increase in the height of the mine benches to 28 meters and the possibility of working double benches up to 55 meters high, based upon one transporting horizon; and

the loading (metered as to weight) of railroad cars, which are delivered on two tracks (according to the type of SPU-5000 loading arrangements for the ERSHRD-5000 rotary excavators that are at the strip mines).

In the Ekibastuz environment, because of an expansion in scale of coal mining and a conversion to new technologies, the problems of blending coal by quality is becoming urgent. Up until recently, the selective excavation of coal seams by the rotary excavators was used in order to reduce the output of nonstandard coal. Many years of experience at Ekibastuz strip mines have indicated that substantial losses of quality-standardized coal occur with selective excavation because of the interbedding of coal members and of thin rock intercalations, especially where powerful rotary excavators with large-diameter rotors are used. Moreover, selective excavation leads to a reduction in excavator productivity and sharply reduces the effectiveness of use of the mineral resources. Based upon the fact that the average specific heat of combustion of the coal mass lies within the 16.8-16.4 MJ/kg range, that is, higher than for many other coal fields of the country, Ekibastuz coal is now being mined primarily by the wholesale method. However, in this case as much as 30-40 percent of the coal has a specific heat of combustion of 16.2 to 10.1 MJ/kg. And, although the basic possibility of burning such high-ash coals has been proven, it has been established that the utilization effectiveness of Ekibastuz coals grows considerably when they are blended. Taking into account the substantial absolute amounts of use of Ekibastuz coal at thermal electric-power stations, the provisioning of blending acquires exceptionally great technical and economic importance.

The coal is blended by various methods, which are determined by the system adopted for transporting the coal from the strip mine. With the conveyor system for transporting the coal that is in operation at the Vostochnyy strip mine, the controlled blending of mined coal is accomplished in accordance with the basic commodity indicator of quality (ash content) by the successive filling of the piles at the blending areas with coals of various ash contents and the subsequent "mixing" of these layers by means of drum blending machines prior to loading the coal into MPS cars. In so doing, based upon the customers' needs (the thermal electric-power plants), an effective smoothing out of ash-content variations is achieved.

Such a blending system can be used also at other enterprises in the event they convert to the conveyor delivery of coal from the strip mine and erect piling and blending facilities. In modified and considerably more complicated form, this blending system can also be used with cyclic transport of coal from the strip mine--with the creation at the piling and blending storage of facilities for reloading the coal from rail transport to conveyor transport.

Given the system for loading coal into MPS cars directly at the mine face that now exists at the Bogatyr and Severnyy strip mines, the blending method that is based upon mapping coal faces and marking the ash-content grades on the cars and trains that are dispatched can be used. Final blending of coal in this case should be accomplished at the fuel yards of the power stations, by mixing the crushed coals of various ash contents, which are placed in the appropriate hoppers.

The introduction of a system for the guaranteed blending of coal, with a view to increasing its commodity value, involves additional expenditures, which will require a differentiated approach to determining the wholesale prices for coal as a function of its quality. The introduction of such a pricing system indisputably would stimulate the use of new technologies and systems for blending at the Bogatyr and Severnyy strip mines.

In evaluating the prospects for developing the Ekibastuz coal basin, taking into account the required amounts of coal mining and the dynamics of the mine-technology situation, it should be noted that the most progressive solutions in the area of mining work will turn out to be poorly effective if questions of raising the technical level and effectiveness of stripping work are not raised. Thus, while a constant search for and the introduction of new equipment and technologies are going on in the area of mining work, no new technical solutions have been introduced yet for stripping work.

At present the disproportion in the technical level of productivity during mining and stripping operations has reached such a magnitude that the latter will become a brake on support for the prescribed amounts of coal mined in the Ekibastuz coal basin. The problems that exist here, which are provoked by large absolute amounts of stripping (more than 200 million m³/yr), where there is a high concentration of stripping work, substantial depth of excavation and great distance for transporting the stripped rock within the strip mine and to the dumps, and other factors, can scarcely be solved under the existing transport system for excavation. The main weak link in this system is the industrial rail transport, with all its inherent deficiencies. Therefore, new ways for developing stripping work should primarily be sought in the area of replacing this form of transport by other forms that are more progressive and more effective.

It would seem that, in the time frame being examined, this form of transport should be the conveyor, which will provide continuity in transporting and improvement in utilization of all the operating equipment, a potential for full automation of the transporting process, and a considerable rise in labor productivity. Its use during stripping at Ekibastuz strip mines is possible directly in combination with rotary excavators, under the flow-line technology of operations, or with single-bucket excavators and crushing

installations, but also in unison with rail transport under the cyclic flowline system. The greatest benefit from using conveyor transport will be provided where mined material will be moved continuously over the whole transport route, from the mine face to the dump.

The stripped rock of the Ekibastuz basin is comprised basically of argillites and aleurolites, whose hardness varies from 2 to 10, according to M. M. Protodyakonov, and rises as the depth of deposition increases. The use of flowline technology with rotary excavators with increased absolute and specific scooping force can be more effective on upper stripped slopes, but in order to solve this problem a detailed geological survey must be made in the next year or two with a view to refining the physical and mechanical properties of the stripped rock and its regionalization. For the main stratum of stripped rock, it will evidently be necessary to use single-scoop excavators with the mine face prepared by blasting. In this case, the mined material should be passed through crushing and reloading installations prior to loading on the conveyor, in order to obtain the lump size that will enable transport by conveyors.

In considering the exceptional importance of the question being examined, it is necessary to provide for the first-priority and preferential development of work to create effective operating schemes and highly productive equipment for flowline and cyclic-flowline technology that are applicable to Ekibastuz coal basin conditions.

It would seem to be desirable to organize experimental industrial production in Ekibastuz in such a way that industrial tests may be conducted and all elements of the flowline and cyclic-flowline technology worked out for the wide introduction thereof later on, without violating the systems and organization for stripping work that is in effect at the strip mines. This question must be solved during the 13th Five-Year Plan; it must not be deferred until the more distant future.

In speaking about the wide introduction of conveyor transport at open-pit mine work, still another question of an economic nature should be dwelt upon. The basic deficiency of this type of transport is considered to be its high cost. An analysis indicates that one of the main causes of the high cost of conveyors is the extremely unimproved method of its manufacture at machinebuilding plants. To a definite degree, this is because of the great diversity in the standard sizes of conveyors and the design versions of their basic members. Such a situation does not help to create modern, highly productive and effective manufacturing processes of conveyor equipment at the plants.

In undertaking work to conveyerize transportation at open-pit mine operations it is necessary to solve questions of unifying conveyors relative not only to the coal but also to other mining branches of industry. The joint efforts of the miners and machinebuilders on this matter can yield important positive results.

Realization of the trends indicated above for developing mine-operations technology will enable Ekibastuz coal, whose technical and economic indicators will be subjected to a substantially lesser degree to

the influence of complicating mine-engineering conditions, to be mined on a much higher engineering level. It is obvious that, for this purpose, optimal solutions should be found for the tasks of reducing labor intensive-ness and the consumption of metals and energy in all links of the operating chain, of raising the reliability of equipment and the degree to which it is delivered in complete sets, and of improving the system for technical servicing and repair, the methods and means for controlling production, and the procedures for training and assigning personnel; and social questions also should be solved optimally.

Only by accelerating the pace of radical improvement of mine-operation technology and by converting primarily to intensive methods for mining coal will it be possible to bring Ekibastuz strip mines to the levels called for by the Main Directions for the country's economic and social development.

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LABOR

SHATALIN, OTHERS ON CHANGES IN WAGE REGULATIONS

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[Article by S. Shatalin, corresponding member, USSR Academy of Sciences; G. Yegiazaryan, doctor of economic sciences; and candidates of economic sciences: Ye. Gaidar, A. Shokhin and V. Shcherbakov: "Realizing the Principle of Distribution According to One's Labor"]

[Text] The tasks of providing material incentives to the work force under current conditions are becoming more complicated compared with earlier periods in the development of the economy and society. This is the result of the action of the following factors.

Features of the Present Stage

First, the material incentive principle is realized against the background of the growing importance of moral and creative work incentives.

Particular note should be taken of the more prominent part played by such work incentives as the participation of workers in production management and change in the character, content and conditions of labor. The diversity and range of labor functions performed by workers, the existence of creative elements in their work, the opportunity for professional advancement, job mobility within the framework of the enterprise, the social and psychological climate within the collective, i.e., factors that come under the heading of "job satisfaction," are increasingly important in determining workers' choice of jobs.

In this regard, we believe that it is appropriate to speak of the need for the closer coordination and interaction of the entire system of work incentives. In the practical organization of wages, we see material incentives and creative, work incentives moving in different directions. This is seen, in particular, in the trend toward the lessening of distinctions between the pay of ITR [engineering-technical personnel] and blue-collar workers and in the lag of the pay of workers employed in sociocultural services and science behind the pay of the work force in material production.

The problem of attracting people to low-prestige jobs, which is aggravated by the so-called manpower "shortage," also causes various incentives to act in

different directions. The greatest material rewards are enjoyed by workers who demonstrate the highest job performance and by those who are hired with the aid of various kinds of benefits and compensation to perform socially ineffective jobs in occupations with a large number of job vacancies. Workers in the first group have a larger share of the moral and creative incentives.

The fact that incentives are used to compensate the lack of creativity or challenge in a job indicates the existence of flaws in the system of material incentives and detracts from the part they are intended to play.

Second, the incentive principle is realized in the face of the population's changing consumption and needs.

Our population's incomes double every 15 years. There is substantial qualitative change in needs and consumption as a result. The growth of needs [potrebnosti] is a process that predetermines the relative lowering of the role of material consumption and heightened interest in the social aspects of life (leisure pursuits, concern for one's health, etc.).

Increased emphasis on "nonmaterial" interests also stimulates demand for goods and paid services. All this creates the necessary prerequisites for preserving the high role of material incentives.

Nevertheless, certain current aspects of the satisfaction of the population's needs have a negative impact on material work incentives. The present organization of material incentives is such that it does not sufficiently permit workers to increase their earnings in close relationship to the actual increase in their labor contribution. Material incentives do not originate spontaneously. It is necessary to find ways of forming them and of eliminating factors that weaken them. These factors include the scarcity of certain goods and services and the incomplete satisfaction of effective demand. The limited channels for the disposal of income in the system of socially organized trade and services operate in the same direction. This narrowness is especially strong in the case of needs of a spiritual, intellectual nature.

Third, the material incentive principle is realized under the conditions of the greater social orientation of distribution. This is predetermined first and foremost by the consistent implementation of the principle of distribution according to one's labor and the increasing differentiation of income depending on the quantity, quality and results of labor.

Fourth, the material incentive principle is realized under conditions of a qualitatively new reproductive situation. The conversion of the economy to the intensive path of development is its principal feature. In an intensive economy, any increase in wages should presuppose the relatively more rapid growth of the final result.

Fifth, the principle of material incentive in the system of socially organized production is realized under the conditions of the existence and development of material incentives outside socially organized production.

Labor activity outside socially organized production is oriented toward the realization of material interest; not only is it not diminishing, it is actually growing. This activity is associated with work on personal household plots, with the rendering of "private" services, with self-service (repair work, amateur economic activity). This fact should evidently be evaluated from two points of view: (1) as confirmation of the fact that material incentives retain their significance under present conditions; and (2) as evidence of the fact that the material interest of workers is still not realized to a sufficiently degree as a result of their labor activity within the framework of the social economy.

The Restructuring of Wages

The most important prerequisites to increasing the effectiveness of the material incentive mechanism are: the improvement of all elements in the organization of wages and the strengthening of the relationship between the dynamics of the wage fund and the final results of the economic activity of enterprises and associations. If this relationship is not secured, it is impossible to expand the rights of enterprises in the area of wages, to make the wage system more flexible, and to overcome elements of wage leveling.

The transition to the normative regulation of wage funds creates prerequisites for the serious restructuring of principles underlying the functioning of the wage system, in particular, for making the transition to new wage rates and salaries in the production sector on the basis of and within the limits of the enterprises' earnings.

Under the 12th Five-Year Plan, the saving of the wage fund and, if necessary, part of the material incentive fund, will be the source of funds required for the establishment of the new wage conditions. These funds must be amassed on the basis of measures for introducing progressive equipment and technology, for improving the organization of labor and production, for improving the norming process, for simplifying the structure of management, and for reducing the size of the work force on this basis.

The rights of enterprises to introduce the new wage conditions are being significantly expanded. With the accumulation of resources, they will simultaneously be introduced for the entire collective or for individual structural subdivisions and categories of personnel.

The more precise, consistent differentiation of social criteria (maintenance and development of abilities; neediness) and economic criteria (labor contribution, production effectiveness, efficacy of incentives) underlying the formation of the incomes of each member of society is a fundamentally important principle in the implementation of the policy of securing qualitative improvements in the wage system.

The stimulating function of wages today is weakened largely due to the use of wages to address such social problems as the maintenance of workers in the low-income brackets, the compensation of adverse working conditions, and the problem of maintaining full employment. At the same time, social consumption funds are assigned economic incentive functions on too large a scale,

especially in the area of attracting and retaining cadres by making departmental housing and accommodations in childcare institutions available.

The Fight Against Unearned Income

The most important direction of realization of the principle of distribution according to one's labor is the consistent fight against unearned income. Redistribution processes and the realization of unearned income by individual population groups have an adverse impact on the entire system of production and personal relationships in society.

The alignment of the population's effective demand with the supply of goods is the main, principal direction in eliminating the conditions that give rise to unearned income. In this regard, there may be gradual change in the physical structure of the social product or an increase in the share of consumer goods production in overall production due to a certain degree of redistribution of capital investments and to a substantial increase in the effectiveness of the functioning of the complex of production facilities that satisfy the population's needs.

The creation of prerequisites for the most complete realization of man's abilities in social labor and for increasing his potential for increasing his income by increasing his labor contribution to social production is the most important social factor in eliminating income resulting from deviations from the socialist principles of distribution. This requires the elimination of wage leveling, the creation of conditions for effective labor in all spheres of social production and the improvement of conditions for utilizing earned income.

Socially regulatable forms of individual labor activity must be developed simultaneously with the imposition of stiffer sanctions against unregistered types of such activity.

The organization of individual labor activity must be such as to preclude the possibility of unjustifiably high income in excess of socially normal limits. This can be facilitated through progressive taxation and the expanded cooperation of individual production with state and cooperative production.

With regard to the organization of wages within the framework of the reform in economic management, it is first of all necessary to overcome wage leveling by abolishing unjustified restrictions on the growth of material rewards for actual attainments on the job, by imposing stiffer sanctions for work performed with a lower degree of intensiveness, by eliminating the bankrupt practice of orienting pay toward average earnings [vyvodilovka]. Leveling is also overcome with the development of collective forms of monitoring of the wages of individual workers within the framework of the general problem of strengthening the relations of economic responsibility.

The development of collective forms of pay based on brigade-type labor organization will be an important means of equalizing the intensiveness of the labor of the majority of the work force at the socially necessary level.

The optimal combination of centralized and cost accounting methods of wage regulation is attained by forming the wage fund in accordance with the final national economic result and the expansion of the rights of labor collectives in its distribution following the transition to the new wage rates primarily on the basis of the enterprises' own resources. It is also essential to increase the effectiveness of the system of bonuses by combining different existing forms of bonuses into a single bonus fund.

It is deemed essential to establish tighter state controls over the formation and expenditure of funds used to compensate adverse working and living conditions. We must impose sanctions for the preservation of strenuous, hazardous jobs and make it incumbent upon enterprises to finance an ever larger part of the corresponding compensation from their economic incentive funds.

The stimulating effect of raising monetary remuneration for the results of labor can be manifested in full measure only with the condition that there are serious changes in the structure of consumption. There must be an increase in the share of modern high-quality durable goods and various kinds of services. The striving to acquire these goods will provide a real basis for interesting workers in higher earnings and will simultaneously expand the sources that supply goods to match monetary incomes.

The comprehensive improvement of the entire system of work incentives is an important basis for the effective implementation of the necessary measures. The sharp increase in the significance of the workplace--the worker must prize his job--acquires special significance in this regard. We must ensure rational, socially and economically effective full employment, which presupposes balancing old and new jobs against the manpower available to fill them. This will require removing from economic circulation socially and economically ineffective jobs and the establishment of a uniform state system for the release, retraining, redistribution, employment, and material support of manpower released from existing production.

In the strengthening of stimuli for highly productive labor, a large part belongs to the improvement of working conditions, to the enrichment of its content, to making all types of labor creative and attractive, the material basis of which is the technological modernization of production on the basis of advances in science and technology.

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LABOR

ZASLAVSKAYA, OTHERS VIEW INDIVIDUAL LABOR LAW

LD232112 [Editorial Report] Moscow Television Service in Russian at 1227 GMT on 20 December 1986 presents a 1-hour discussion program entitled "Confronting the Problem," devoted to the new laws on individual labor activity and the struggle against nonlabor income. Chaired by journalist Elrad Yakovevich Parkhomovskiy, the panel includes Academician Tatyana Ivanovna Zaslavskaya; Vyacheslav Mikhaylovich Shamardin, chairman of Groznyy City Soviet Executive Committee; Vladimir Alekseyevich Pogodin, chairman of Kuybyshev Oblispolkom; Vitaliy Mikhaylovich Zamula, RSFSR first deputy minister of consumer services; Dimitriy Kirillovich Zotov, head of the Transportation Department of the USSR State Planning Committee; Aleksandr Sergeyevich Panteleyev, RSFSR deputy minister of transport; and Pavel Ilich Tabalov, head of the Trade, Housing, Municipal and Domestic Services Department of the USSR State Labor Committee.

Introducing the program and the roundtable discussion that follows, Parkhomovskiy says: "Good day, comrades. Our broadcast today is devoted to the new law on individual labor activity. It hasn't sprung from nowhere, as they say. This activity was permitted before in our country but was limited by various so to speak, conditions. Today, when these conditions have been removed, when the activity has been expanded in every possible way, a number of new questions arise before us. These questions are as follows: What is more effective?--control from above with the help of cumbersome inspecting apparatus, or control from below, control by the ruble on the part of those being serviced, customers and clients? Is a restrictive ceiling on pay needed for the worker who is full of initiative?--and does this not impede growth in labor productivity and its quality, and therefore does it not conflict with the interests of society? When will we finally go from talk about socialist enterprise to action? Competition in the sphere of services, and shortages--is this concept compatible? What is the social prestige of a craftsman working on his own and what is his legal position? These are the questions we'd like to throw light on in the broadcast, but we'll start with the transportation problem, which arose after the adoption of the decree on nonlabor incomes. So we asked our film crew to take a trip to Kuybyshev and bring us a subject reflecting the Kuybyshev experience."

A brief video clip shows a truck being stopped on the road by State Automobile Inspectorate personnel who ask about the passenger traveling with the truck driver; the door of the truck bears a plaque about not carrying

passengers. Parkhomovskiy continues: "And now we'll ask Comrade Pogodin, chairman of the Kuybyshev Oblispolkom, to comment on this footage and to talk about how the oblispolkom came to its decision.

[Pogodin] "When we were studying the draft of the law on nonlabour income we naturally tried to predict what sort of effect it would have on certain aspects of life. A few days after the decree came into effect we noticed that counters started looking empty. The amounts of meat, vegetables and fruits coming in decreased. Prices started going up. This was the height of the summer, the height of the vegetable season, when there weren't any reasons for the markets to start looking sparse. And the reason for such a phenomenon was, namely, the reduction of transportation of agricultural produce by so-called--in quotation marks--trips on the side.

[Parkhomovskiy] "And what was the essence, Vladimir Alekseyevich, of the decision you adopted to straighten out this situation?

[Pogodin] "In taking on the load, the driver notes--Let's say, as was shown in the frame: He takes 10 sacks of potatoes. He writes down in the column '10 sacks of potatoes; distance such-and-such; price r1 rouble a sack; r 10. Then he signs his name on the main travel sheet and in the column for special notes. This travel sheet is handed over to the accounts office. In our decision we envision that from the payment for the transported load, 50 percent should be paid to the driver.

[Zotov] "I would like to say that certainly, apart from such privileges to encourage drivers in the use of transportation, there is also a whole series of general-collective privileges and general-collective principles which should help to develop these services: material incentive funds, development funds and social and cultural and domestic funds. All of them depend directly on profit. Therefore, enterprises--and the collective, any transportation collective--become interested in obtaining additional profits.

[Panteleyev] "In the present Kuybyshev method, for example, it means that five sacks of potatoes transported over 100 km will cost r10, of this r5 go to the driver. For 10 cases of apples containing 20 kg each, the driver gets around r7.50. But one should probably not count so freely here. This question probably needs to be worked through by the State Committee for Labor and Social Problems. The labour outlays need to be determined for a state vehicle and state fuel. Moreover, the driver gets a wage for this, from the state; for this time, that is, he gets two ways. All of this probably needs to be taken into account and a decision needs to be adopted, but in principle the formulation of the question is correct and supplements that ("complex") that we are developing today.

[Parkhomovskiy] "I would like to give the floor to Vladislav Mikhaylovich Shamardin, chairman of the Grozny City Soviet Executive Committee, who will tell us about his experience in creating, well, so-called private taxis.

[Shamardin] "Will, in the town of Grozny, just like many other towns, requirements for passenger transportation, on buses and also in taxis, are not

being satisfied. This is in connection with the fact that in our town, not because of us, the pool of taxis has been decreasing from year to year. Since 1983 up to the present year it was decreased by a third, while demand for transportation is growing every year. We followed the polemics featured in LITERATURNAYA GAZETA very attentively, and this matter interested us. We knew that we were moving within the limits of the illegal, that the use of private transportation is forbidden—as written in the law on labor activity—but nonetheless, on the advice of specialists, having made known all our possibilities, the executive committee of the town soviet adopted the following decision: (?Let's do this) under the aegis of a Voluntary Society of Car Amateurs, the DGAM [Dobrovolnoye Obshchestvo Avtomotolyubiteley]. In Groznyy we have more than 20,000 private cars. We consider that if we involve about 200 private cars in this then we will solve the taxi problem in our town.

"The experiment in our town began on 6 May and lasted 1 month. We didn't enlist particularly large numbers of vehicles. We took it up to 30 units. Well, I must say that the experiment was fully approved by the Groznyy inhabitants. We didn't get even one critical remark about the use of these experimental taxis."

After a brief interjection by a participant, Parkhomovskiy continues: "Aleksandr Sergeyevich, we'd like to hear your view and to know the position of the ministry you represent with regard to the forthcoming development of private taxis.

[Panteleyev] "Today the taxi fleets, in particular in the RSFSR, satisfy only 42 percent of the population's requirements in that type of transportation. And of course this is first and foremost connected with the quantity of taxicabs we allocated. We have now worked out a draft of a statute on the use of individual cars as taxicabs, taking into account the experience of Groznyy. These ought to be societies [tovarishchestva], societies within the framework of rayon and DOAM societies, because it is the DOAM itself—it has been assigned the duty—which is very closely involved with individual owners of means of transportation.

"These societies should be created by the decision of executive committees. They will be allocated times of work, days and hours, taking into account the need of the population, the unsatisfied needs of the population. The licence: how much will it cost? At the moment we've taken R5 per hour as an estimate. Taking into account the creation of a statutory fund of that society, taking into account the running costs of the individual owner and allowing for the average earnings of the taxi driver--R1.50 per hour--we came to a sum in the region of R1.19 for the hourly rate of the licence. If you then multiply the hourly rate by the number of hours of work, you get the price of the licence for a year. And of course all of this will be legalized by the executive committees of local soviets.

[Parkhomovskiy] "And incidentally what should its proposed earnings be, this licence which you're talking about, how much should it pay to the state? And in your view how much should it earn?

[Panteleyev] "We calculate earnings of R4 to return 1 ruble and to earn 4.

[Parkhomovskiy] "And it is authorized up to 4 hours a day?

[Panteleyev] "Up to 4. For a nonworker, up to 10 hours. That is our reckoning, so far.

[Parkhomovskiy] "And what is the attitude of the taxi fleets to this problem, by the way? Don't they see the private taxi driver as their future competitor, who will hinder them in fulfilling their plan?

[Panteleyev] "The days and hours for their work will be determined by the ispolkom, taking into account what taxi fleets have to offer, on those days, and at hours when the taxi fleets do not cover the population's requirements for these (?services).

[Parkhomovskiy] I see, thank you. Yes, Tatyana Ivanovna.

[Zaslavskaya] "I'd like to speak on behalf of the consumer. I find it simply awful to hear these words, because there arises a perfectly natural question about competition, which is the consumer's hope, our one and final hope. If there is to be a competing sector, a private one, perhaps the state sector will work better. But what hope is there? Won't they have endless squabbles with these taxi drivers who don't want to drive anywhere, and impose their own conditions and behave rudely? In general one doesn't use the word competition [konkurentsia] with respect to a socialist economy, now they often say contention [sostyazatel'nost].

"So let there be contention, and what is it that worries me about it? This is what I think--if there are private taxi drivers, they will not drive around of their own accord when there is no work, and so on. But if they are driving, and there are a few more taxis needed, what a joy that will be for the consumer. It seems to me that if we try to tie the sphere of individual labor activity up again in this corset, then again we will be losing more than we gain. The very advantage of these minor forms of employment lies, to an enormous extent, in their flexibility, in the convenience both for those who are providing a service and for those who are receiving this service.

[Parkhomovskiy] "Aleksandr Sergeyevich, doesn't what Tatyana Ivanovna is saying seem convincing to you?"

[Panteleyev] "Well, the only thing I can agree with is the opinion that we should make use of this law to introduce now some kind of competition between individual labor activity and state labor activity.

[Parkhomovskiy] But it is difficult to speak of real competition here, since the state means a vast volume, while the individual sphere is a tiny one. If this tiny volume has an effect on the vast one, then that can only be put to the good.

[Panteleyev] "Well, what can I say about competition? In the RSFSR today we have 47,000 taxis. We must have—it's difficult for me to say—but it's millions of private vehicles.

[Unidentified speaker] "But they are not all running around the streets carrying....

[Panteleyev] "True. On this we are saying that in each area the executive committee and the local soviets are to regulate this matter.

[Oleg Petrovich Temushkin, doctor of juridical sciences, identified by Parkhomovskiy]

"First of all, regarding competition: I am for it. I think that here we ought to be talking about healthy socialist competitiveness, call it competition, but it must force enterprise and organizations, including state ones, to function better.

[Parkhomovskiy] Understood. Here's dramatist Viktor Sergeyevich Rozov, USSR State Prize Winner.

[Rozov] "You know, a person, wherever he works--and I am particularly well acquainted with this--must have freedom in his work. I was very struck by your very quite calculation of those 19 kopeks. You know, you are taking freedom away completely. A person who is not free always works badly. The greater freedom a person has in his activity, I know this for myself...we are winning back freedom in our labor for ourselves. So give people freedom in labor, it could mean giving them space, you know. For God's sake do not keep drawing up these endless limits.

[Parkhomovskiy] "Two words.

[Pogodin] "The view of the overwhelming majority of taxi drivers is in favor of this.

[Parkhomovskiy] "With no restrictions on time?

[Pogodin] "Without restrictions. No hours. The taxi drivers say that it will be a good thing.

[Parkhomovskiy] "All that's clear. Dmitriy Kirillovich, you wanted to say something.

[Zotov] "A couple of words on the general position. What is this, what kind of figures are we talking about? In 1987 we expect an income from taxis of R2.2 billion. Of course, there is a very large sum, for the whole Soviet Union. What could individual transportation draw off? Well, we have not assessed this much, but it is probably somewhere around one-tenth of 1 percent. So in the given case it is not competition but rivalry [sorevnovaniye] that is in my view useful. It simply obliges the taxi drivers to work better, and it is no secret that we have not been satisfying the demand of the population for taxi services.

[Parkhomovskiy] "Let's try to find out what the population of our country thinks about individual labor activity in principle. Not just taxis, but overall of the new things that have come into our lives today. To do this we will now switch to the Institute of Sociological Research of the USSR Academy of Sciences. Its director, V. N. Ivan, will tell us about what they have found out through sociological polls." [Video shows man and woman in computer room, cutting to show director, identified on caption as V. N. Ivanov, speaking to camera. At times the camera returns to show the studio discussion team listening.]

[Ivanov] "Public opinion runs like this: there are some over-assessments of the possibilities of individual labor activity, and in any event, there are great hopes being expressed in connection with this activity. On the other hand, we know of apprehension related to the possible results and consequences of this labor activity. Approximately 27 percent expressed a desire to receive additional earnings through individual labor activity.

"I have to say that if we are talking about the views of those who express a certain apprehension in connection with the social consequences of application of the law on individual labor activity, these touch basically on several aspects: first, the moral and psychological aspect; second, the actual economic aspect; and third, the social aspect. Talking about the moral aspect--although, of course, these are all interlinked--here the apprehension is related to the fact that a proportion of our correspondents think that the intensive development of individual labor activity could cause some thwarting of the interests of a certain section of people of which we are aware. In other words, people's own material interests and the aims of the individual for getting additional earnings, additional monetary income will become swollen. That is, this can lead to an individual being made poorer to a certain degree because that person will be left with less time and strength to develop all other interests and amusements.

"The second point is connected with the actual economic aspect of things. The point here is that for a certain section of the population which will be involved intensively in this activity which has been allowed and encouraged by law, this activity may become a source of higher than average income, so to speak; that is, a high income which on a social level is not seen as fair by public opinion.

"The third aspect is connected with the fact that active participation by a healthy and skilled section of the population in individual labor activity may lead to part of the population drifting away from public production. And that of course is extremely undesirable since on the surface, so to speak, of social phenomena, we currently have a clear shortage of members of the work force.

[Parkhomovskiy] "If any of our studio experts would like to ask any questions to share any ideas on this I would like to ask them to do so.

[Zaslavskaya] "Well what interests me is what he had to say about the purely economic aspect, as he put it, and about level of income. What seems very

important of course, is the presence of this prejudice on the part of a section of the population about earnings being too high as a result of individual labor activity. I think that the very existence of such an opinion is a serious phenomenon in itself. Indeed, what are these earnings actually going to amount to? But our biased apprehension about someone earning too much may turn out later to be a really restraining factor.

[Gennadiy Stepanovich Lisichkin, member of the USSR Union of Writers, candidate in economic sciences; identified by Parkhomovskiy] "I think that one of the dangers which may now beset us is stereotyped thinking. Just look at how all of us use words sometimes. I mean, if someone fixes your roof for you, what is he? He's a moonlighter. Any sort of extra activity is called moonlighting. But if someone makes color televisions and half of them are scrapped, that isn't moonlighting, that's earnings. And in this way of thinking, that only state earnings can be truly called earnings, I would say that we are depriving socialism of those forms of labor which we need in order to live from day to day. And when the director of the Institute of Sociology talks about job vacancies that have been created, what are these job vacancies? Indeed, we have other jobs that are not being done; those people who do nothing in our country or whose work potential is not used won't man the machine tools that are standing idle.

[Temushkin] "I for one am convinced that the fact that we have such a large number of unfilled job vacancies among other things is linked—and this is actually clear from party documents—with the fact that labor productivity is very low at a large number of enterprises. And we have enormous reserves. There is no doubt about that. Indeed, very recently I read an interesting document by Vladimir Ilich Lenin. I think he was writing to the former chairman of the Supreme Soviet for the National Economy [VSNKII--Vysshiy Soviet Narodonogo Khozyaystva, a body which existed between 1917 and 1932]. He wrote: At present you have 8,000 people working there. Recently there were 9,000 working there. Think about reducing the number of workers to 2,000, but in so doing keep a salary fund sufficient for 6,000. I am sure of one thing. I think that Viktor Sergeyevich wrote a good play about this when the director said 'Give me the chance to keep just five people instead of 20 but I'll give them a salary of up to R1,000 each and they will do the same work marvelously well. 'That is something worth thinking about.'

[Parkhomovskiy] "Please go ahead, Viktor Sergeyevich.

[Rozov] "Yes, You know, we, and especially the writing fraternity and the fraternity of public speakers and lecturers, are now faced with the task of bringing about a change, if not a revolution, in people's consciousness, because we may run up against a situation where in developing individual activity we make people jealous and malicious. A person who cannot or does not have the ability to develop individual labor activity will be envious of a person who does so and who receives and earns more. Long ago I reached the conclusion that the slogan Equality is understood quite wrongly in our country. People here are thus jealous not only of the material prosperity of another person who has earned it by his labor or by his intellect. They envy talent. They envy simple beauty. They are envious of a well-dressed

person. Just look at her showing off, they say. You know the sort of thing I mean. That is a general thing and it must be changed. But people must be led to understand that the person is working for them and that they must not envy his success. That is very important. That is a factor of exceptional importance.

[Zaslavskaya] "I would now like to draw your attention to a function of individual labor activity that has not yet been mentioned here. That is, we have been talking more about the fact that we as consumers need not only state organizations to serve us, but also, so to speak, those people who engage in individual activity. Moreover, I think that this activity is extremely important for the implementation of the first part of the principle from each according to his abilities, to each according to his labor. At present a very significant number of people do not work to the best of their abilities, and this feels very unpleasant to them. I think that we are opening up a very important channel not only for improving services but also for people as producers, creators, creative creatures simply to live better. A skilled man chops down a tree. He chops down the tree and produces the goods, so to speak. People buy them. His life is completely different.

[Parkhomovskiy] "Furthermore, I would like to draw your attention to the fact that the law on individual labor activity states directly that this activity may be pursued by invalids, pensioners, housewives, school children, students and also people engaged in basic production in the public sector during their time off from work; only in certain cases where there is special public need can local soviets decide to allow basic employment in this sphere. So I think that there is no need to worry about the drift from state works and factories.

[V. Yu. Severin, team leader at a Ligachev Auto Works (ZIL) casting shop; identified by Parkhomovskiy] "Indeed, the people involved in this activity will be largely professionals. Because those who have no training or those who are not capable of competing when it comes to providing state services just wouldn't survive, because nobody would need what they could offer. That's how it would be.

[Parkhomovskiy] If the contribution just now from (?Valeriy) Nikolayevich Ivanov inspired us to have such a lively discussion--and that is quite natural, because we are going beyond this studio and addressing the entire country explaining opinions and contradictions between opinions--then let's look at another piece of film which [is] from the Institute of Sociology. It will be dealing with everyday services." [Video shows Ivanov with aged computers whirring behind him.]

[Ivanov] "We have acquired statistics showing that during the 11th 5-Year Plan, 8 families out of 10 did not turn to public enterprises for help in repairing their apartments or houses. Eight of 10 families did not turn either for help to public enterprises in mending or repairing their clothes. Eight of 10 families did not use public laundry facilities, and so forth. And some indeed turned for help to people on the sidelines, that is to the nonorganized sector of the population which was offering its individual labor activity and which was in general in demand among a certain sector of the population.

"Overall in speaking of this evaluation we can say that during the 11th 5-Year Plan 17 percent of those polled in our all-Union research said that the work of the services sector was bad, and 53 percent said it was satisfactory. Only 30 percent found it good. Of course, it has to be said that the situation varies from area to area. We have positive experience and the press has written a great deal about this. In particular there is positive experience in the Baltic area and in the Ukraine, as well as certain other republics.

[Tabalov] "On the basis of a government decision on the new economic mechanism and everyday services to the population, we adopted the so-called second contractual arrangement in 1984. The first contractual arrangement was our more or less traditional pay for labor as percentage of money received. [as received] As regards the second contractual arrangement, well, it was very new for us. We also found it very complex to introduce. It looked as if everything was well envisioned in the legislation; all the issues, it appeared, had been resolved, but still this contractual arrangement is being introduced only weakly. In my view our comrades in Estonia have had a very good approach to resolving this issue. But even they had many difficulties since, well, what does it mean to apply the contractual arrangement. The contractual arrangement is a lofty form of economic calculation. It is complete viability and self-financing. Sometimes we are asked about restrictions on salary. Some earn a great deal and some earn very little. Here is the answer that I would give. We are not afraid of high salaries. We are afraid of low labor productivity.

[Parkhomovskiy] I would like to illustrate this right now, using a film shot in Tallinn. [Video shows report from Tallinn Elektron Association on work practice here, with interview with association director] And so the time has come to talk about socialist competition, competitiveness, contention, rivalry. It doesn't matter what we call it. What is important is the concept touched on just now by the general director of that association, who in my view correctly raised the point that we must choose which workshop to turn to and to whom in the services sector we should go. Please, Pavel Ilich.

[Tabalov] "The point is that by using such work experience as a starting point we have really noticed already how the level of interest of the workers in improving their own qualifications is raised. In these workshops the workers have an interest not only in their own qualifications and in improving their own qualifications, but also in the qualifications of their comrades. Here we have real team contracting, real collective interest and collective labor. And in this connection we work with fewer people involved and receive a higher salary. They have higher labor productivity. This is in accordance with all the requirements of....

[?Parkhomovskiy] "What salary do they actually receive?

[Tabalov] "We don't know just what salary they receive. We don't want to know since in the contract we determined the sum on which they pay taxes.

[?Parkhomovskiy] "These are not control figures for you. These are not data for registration?

[Tabalov] "No, they are not data for registration, and they are not made public.

[?Parkhomovskiy] "Viktor Borisovich Tolstov, journalist for IZVESTIYA, you probably know about this since you have written about the Elektron works.

[Tolstov] "A year ago when this experiment, so to speak, was just beginning to gather momentum, mechanics in the Elektron association, in this contract workshop, were earning up to R400.

[Lisichkin] "We are now on the very threshold of a situation where to a considerable degree we will need to review our understanding of social justice. For example, up until now if a dressmaker or two dressmakers had worked for an hour or had worked for a day they had to earn the same amount. And that is the stereotype with which we lived. But now we understand that one of them made a dress that people wanted to wear, while the other made a sort of old smock which was only fit to be worn in a run-down farmyard. How can it be? Will they really be paid the same amount? Right now for all intents and purposes they do receive the same amount.

[Rosov] "I for one consider also that in any case just now, no ceiling must be fixed. There must be no fear of people who are going to earn a great deal.

[Parkhomovskiy] "Vladimir (?Yuriyevich), I would be interested in hearing your opinion on this matter as a member of the production force, a worker at ZIL, who evidently has views on the difference between the salary for a bad worker and that for a very good worker.

[Severin] "Let me say that in the team in which I work we earn somewhere around R450 or R500. It has to be said that every month our management writes to the department of labor and salaries, giving the reason for such a high salary being paid--although literally every ruble of it has naturally been earned according to fixed standard rate. However the figures still surprise people sometimes. It is basically because we have all been working for a very long time. We all have a high level of professional skill and the organization of the actual work itself is such that over a period of several years we have arrived at an optimum way of working.

[Parkhomovskiy] "What is the minimum for the person who does not distinguish himself by his efforts, so to speak? What about the ones who are slipshod in their work. How much are they paid?

[Severin] "About R200. But we work at a foundry, and so the actual conditions for our work are such that we are paid partly just for the hard....

[Parkhomovskiy] "Do you think that the difference is big enough or do you think it could be more impressive if there are enough reasons for this, in labor productivity and work methods, achievements and results?

[Severin] "I understand. You often need to talk with people who work as fitters at our works. And even if you make a joke of asking How much do you earn, friend? he says he gets about R200 and I get R500. What do you think?

How many times harder do I work? The figure for that is about 5 or 10 times. And when it comes to individual labor activity it seems to me that naturally the better the quality of a person's work to provide us with the services which we need, naturally the higher the level of his salary should be. And in the case in point maybe it isn't worth worrying about a ceiling.

[Parkhomovskiy] "Unfortunately, these first steps indicate different things. There is some successful experience and some unsuccessful experience. And furthermore it is not that it is unsuccessful so much as a principle for organizing things, but with regard to the attitude forming about it on the part of those in control, the bosses and other local organizations.

"In our view the IZVESTIYA journalist Viktor Tolstov wrote a very interesting piece about one such conflict. He called it 'And so We Failed To Agree.' Please Viktor Borisovich, the floor is yours.

[Tolstov] "The conflict that arose there in the everyday services sector was in my view a conflict typical of our age. It is a very topical story. A year ago when our paper wrote about the experience of the Tallinn Elektron Association, two people armed with a copy of the IZVESTIYA in which the article was published, called at the Uyut association in Leningrad, which provides services to the population in repairing furniture and musical instruments. They said that they wanted to work in the same way as the craftsmen repairing radio equipment in Tallinn. Contracts were drawn up first of all with the two craftsmen. One of them made stained glass, and the other made decorative glass for furniture. Until this time neither service had been available in Leningrad. In other words, both of these craftsmen brought with them to the services sector not only their work record books and their two workman's hands, but they also brought with them a new service and the technology for providing it. These are the results.

"In fact, a year later there are not just people working under the second contractual arrangement at the Uyut association. There are not just two craftsmen but seven. During the year these seven people have provided an increase in the volume of services provided by the Uyut association worth R43,000, or they will do so by the end of the year according to figures forecast.

"To give you something to compare that with, the whole of the rest of the collective at Uyut--and that is just under 1,000 people--will provide services to the value of R200,000. I have talked to various specialists from the directorate there and I have been left with the impression that they do not like this arrangement. It seemed to me that they saw this, so to speak, as a threat perhaps to their own existence even, and to their traditional work arrangements. I myself reached the conclusion that this is a conflict between new and progressive ways of organizing labor and bureaucratic methods of management, between people who want to work in the new way and those who would like to see restructuring as a sort of abstract concept that doesn't concern them personally."

After a short report from a craftsman's workshop, showing him painting and saying that the results of work would be better if it were better organized,

Tabalov observes: "As regards such questions as, let's say illness and so forth, then legislation has still not yet resolved this issue. This is connected with the fact that an enterprise really becomes disinterested in concluding a contract, since in cases of illness it will have to reduce the set receipts and thus reduce its own plan for receipts. That is obviously an obstacle and there is misunderstanding and distrust about it on both sides.

[Unidentified speaker] "In this instance what was probably important was not the plan but the absence of the appropriate clause which should have been in the contract. And this clause probably should be envisioned.

[Parkhomovskiy] "I think that this raises a very important question, a question that will have deciding importance for the future fate of this whole issue. This is the question of social prestige in being involved in individual labor activity. Social prestige is not just a badge that can be sewn up and then unstitched. What we are talking about is the status of a person with regard to society. Does society respect him enough and does it express this respect in a concrete way. In other words, does he receive a pension for his work, does he receive a medal when he reaches a certain period of service, does he receive the honor and respect which, as we know, we invest in each worker because labor is a matter of honor, prowess and heroism.

[Temushkin] "I can say right off in answer to your question that in all of what you say, yes he should receive a medal and he should be provided with a pension. This person is a worker, a Soviet worker who is laboring for the good of our society. I think that in this very instance, in this very sense the bureaucrats must campaign against such methods. Openness is an oxygen of democracy. They have shown these people that they are in danger of being deprived of their posts. And in this sense of course the role of the Soviet mass media and primarily the press and television in introducing this law is simply invaluable.

[Parkhomovskiy] "Thank you. What else do our experts have to say on this subject? Please go ahead, Gennadiy Stepanovich.

[Lisichkin] "I would like to draw everyone's attention to a very broad interpretation of the nonlabor income category. We have heard about a craftsman who works two, three or even five times more productively than his colleagues but feels that he stands accused of acquiring nonlabor income. I think that such a broad interpretation complicates the assertion of the new forms of management. What indeed is nonlabour income, I wonder to myself. It is stealing, robbery, embezzlement. Then there is no need to devise such an intelligent sounding phrase as nonlabour income. What is stealing?

[Zaslavas'aya] "Illegal.

[Parkhomovskiy] "Bribery, speculating.

[Lisichkin] "Yes, those are other things and they have their own names, so why do we lump them all together as nonlabor income? Capitalism has its surplus value and unpaid labor; well, those are nonlabor income. But we do

not have hired labor. Let us use this phrase more correctly so that people who are starting out to work under the new arrangements do not have to carry this insulting image around with them. I am afraid that in using the phrase nonlabor income so widely, we are putting people who are about to work in this way in a false position.

[Parkhomovskiy] "Incidentally, in this connection I would like to mention the term private trader [chastnik], if I can put it like that with all this semantics around. Please go ahead, Oleg Petrovich.

[Temushkin] You know, recently I had another look in the dictionary and I couldn't find the term private trader. It just isn't there. It just appeared among us I think, and furthermore this term is used as a kind of insult. A person has a private car. He becomes a private trader. But what is a private trader? I think that there is no social justification for this concept and it is nowhere to be found in our legislation. Article 13 of our USSR Constitution says that as well as public property we have private property, too. And Aleksandr Sergeyevich [Panteleyev] was incidentally the only person not to use this word even when he was talking about these owners of private cars. He said that they were owners of private cars, but that of course they weren't private traders. And so let's be straight about this, we must stop using even these words to which we are so accustomed.

[Rozov] "A man lives detail by detail. A man does not live on some sort of idea. You can't say that a man sees nothing, that he doesn't wash in the morning, that he doesn't need soap, that his toothbrush is no good, that he doesn't need anything, he just goes on living. He lives detail by detail, detail by little detail. Human life is a difficult thing and it calls for lots of needs of all sorts to be met; as for the services sector which we have, well, I am part of the 27 percent. No, I shall speak as one person: We have a really awful services sector. Not just a bad one but a really awful one. And if we could draw into this services sector the army of students, you see, the army of pensioners, the army of invalids whose disabilities are not severe, then we could make life easier for the workers.

[Zamula] "It has to be said that historically our entire system emerged from individual production and service. That is where we started. When there were craftsmen, when there were handicraftsmen, when there was cottage industry, when there were people who made suits and trousers and people to make our clothes, that was the start of it all until a certain moment before which we had not yet set up our own industry. And even in our time under our law, these clauses on individual activity by the individual have not been abrogated. Even then we didn't call them cowboys or private traders. They were country hairdressers, photographers, cobblers; they did all that sort of thing, you know, putting the nails in the boots.

"But since that time a lot has happened in our society and we grew up more and became mightier. And when this document was drawn up about work in the new conditions--and I was actually personally involved in this work, as was Pavel Ilich; we spent over a year in preparing this document and we worked out standards--had we opposed this second contractual arrangement and had we opposed co-operative development and development among comrades, then there would have been no record of this. But we ourselves wrote it in. And I want to say here among you that people are completely wrong if they think that we

as a ministry, as a headquarters of an industry, are trying to shield ourselves from the individual person. We are not afraid of the individual, believe me. We serve 15 million people every day and serve over 3 billion every year, but we can see that we are not succeeding and we can see that things are not what they should be.

[Parkhomovskiy] "How many people are there at present in the country working under the second contractual arrangement?"

[Zamula] There are only around 2,000 here. Why is that? The reason is in fact what you have been saying. I would even be more precise and say that the reason lies in the slow thinking of our leaders. And probably we are to blame as well, because we did not create the prerequisites for it and get it going throughout the ministry. But still I am convinced, deeply convinced, that there are many comrades even now who do not have a proper understanding of the special features of this arrangement, this second arrangement. It is not a simple matter and so we are now opening up broad access to these teams working under the contract system. But there are many unresolved problems along the path of these contractual teams.

[Parkhomovskiy] "Thank you. I am forced, so to speak, to interrupt you because we have only a little time left and I want to talk again about one thing. That is in every instance, every instance which we have seen here, each situation we have discussed here, there is an element of novelty. And this novelty must be maintained in every possible way with care and attention. Channeling life toward the real fulfillment of the new law on individual labor activity and new forms of labor in public catering and everyday services must be done to ensure that there are no distortions but just a combination--a sensible combination and one which is well founded economically and backed up by theory--a combination of these efforts that are aimed at improving the living conditions of our society and improving the welfare of our people, as well as the maximum possible unleashing of the initiative that lies dormant in many of them. Just look at how many people, according to the Institute of Sociology want to be involved in the new area. If all this is done in a sensible and well considered way from state positions with concern for people, then there will be progress.

"We hope to return to this theme again in our broadcasts. We ask our viewers who have heard and seen our meeting here today to write what they think about this. These letters will be analyzed and we will ask sociologists to carry out the appropriate analysis, so to speak, and in subsequent broadcasts we will inform you of the reactions of the country's population to the issues put in front of us today and to the main points that came up in our conversation.

"So thank you to all those who took part in our conversation today. All the best to you the viewers. We are looking forward to your letters and we will be happy to reflect your opinions on the television screens."

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CSO: 1828/49

RAIL SYSTEMS

NATURAL GAS-POWERED LOCOMOTIVE TESTING AT SHCHERBINKA

Moscow GUDOK in Russian 5 Dec 86 p 1

[Article by V. Sluzhakov: "An Excelling Event"]

[Text] The testing of a natural gas-powered locomotive will begin in a week at Shcherbinka. The locomotive was developed in accordance with the program for using non-traditional types of fuel.

"We think that there will be no less in capabilities. Concerning the second item, fuel expenditures will be reduced by half. There is another important factor. We are saving the environment from the toxic exhaust from burning diesel fuel. The locomotive will be ecologically clean. This is very important in thickly settled rayons."

"Now, what about the machine?"

"It is at the test track in Shcherbinka. Those who are faced with operating it, are undergoing retraining. For all that, the use of natural gas as a fuel increases requirements from the point of view of equipment safety."

We asked A. Shutskiy, chief of the Ministry of Railways Locomotives Administration, to comment on the forthcoming tests.

"It is still difficult to say anything concrete. Based on preliminary estimates by that same All-Union Rail Transport Scientific Research Institute, the locomotive has its pluses and minuses. However, the very fact that they are making the first attempts to use cheaper and more available types of fuel, is an important one. We have familiarized ourselves with the experiences of motorists in this area. Their problems will acquire extremely large dimensions with us. We, the operators, are primarily interested in how much of the new fuel will suffice, the degree of reliability of the new equipment, and equipment safety. We will probably use this locomotive at stations in large cities for the present. I think that industrial transport is also interested in it.

"We will hold off a while with predictions. Very much work is still ahead. We will look at what the tests show. You see, at times years pass before the

work is finished and operational development begins. I would like to say that the Ministry of Heavy and Transport Machine Building is now developing plans for the use of compressed gas. The question of which of the proposed versions is acceptable, is not a simple one. Time will tell."

8802

CSO: 1829/94

RAIL SYSTEMS

DESIGNER ON WORK AT KHARKOV DIESEL ENGINE PLANT

Moscow GUDOK in Russian 5 Dec 86 p 2

[Interview with Valentin Nikolayevich Zayonchkovskiy, chief diesel designer at the Kharkov diesel engine plant and a USSR state prize winner, by I. Shishov, GUDOK correspondent: "A Giant Gathers Strength: The Kharkov Diesel Engine Is 75 Years Old", in Kharkov; date of interview not given]

[Text] Approximately 80 percent of the mainline diesel locomotives in our country operate using diesel engines made by the Kharkov Transport Machine Building Plant imeni Malyshev. A leading role in the shift of transport during the postwar years from steam locomotives to diesel locomotives, of course, belongs to the Kharkov machine building plant. However, the "Malyshev" diesel generators do not only propel trains; they can also be encountered on ships, ferries and drilling rigs. The Antarctic explorers have given a high rating to the Kharkovchanka cross-country vehicle that was built in accordance with an order from the USSR Academy of Sciences. It was capable of travelling up to 500 kilometers at 70-80 degrees below zero without stopping...

Our correspondent met with V. Zayonchkovskiy, chief diesel engine designer and a USSR state prize winner, on the threshold of the plant's jubilee.

[Question] Valentin Nikolayevich, the diesel engine, as they say, is the heart of a locomotive. That is why the requirements for reliability, economy and service life on it are the highest.

[Answer] We are improving the 10D100 diesel engine that is on the largest series of diesel locomotives -- the 2TE10. This model has played an especially prominent role in the reequipping of the railroads. After the modernization, we will receive an opportunity to certify a reliable unit for the highest quality category by 1988.

[Question] The 10D100 diesel engine -- although it is a commendable one -- has, however, already been produced -- it seems -- for more than two dozen years. Has it not become obsolete?

[Answer] Age and old age are, fortunately, not one and the same thing. The point is that after certain changes in design, a unit acquires new qualities and becomes completely competitive with modern machines of the same capacity. Lager hardening of the cylinder sleeves and hardening of the crank webs using high-frequency current have already been introduced. Combined with inserts that have been cast from leaded bronze, this insures a 1.5-fold - twofold increase in the overhaul period.

Let us take the so-called steel and aluminum inserts. They last for two periods without changing. True, Ministry of Nonferrous Metallurgy plants have still not begun serial production of the steel and aluminum sheets of the required size.

I could also talk about other innovations which would permit fuel consumption to be decreased by five-six percent.

[Question] Nevertheless, transport needs new locomotives because of the increase in the weight and length of trains. In order to increase their power, industry must make three-section machines. This means that the labor-intensiveness of repairs is being increased and their operation is becoming complicated.

[Answer] I agree. That is why we have begun to design a fundamentally new engine with a power rating of 6,000 horsepower. Its distinctive feature consists of its high technical and economic indicators which exceed similar foreign ones. Based on its weight and dimensions, it has joined diesel locomotives in a good fashion. A model of the diesel engine is already being tested. It has achieved a power rating of 5,000 horsepower with 16 cylinders. The estimates have been confirmed: In fuel and oil consumption, our version is five-six percent more economical than foreign ones. We are now striving for an increase in its power rating to 6,000 horsepower without increasing the number of cylinders. We will obtain the additional 1,000 by utilizing waste heat. The task is a new and complicated one. That is why we are solving it with the participation of scientific organizations. We believe in success. You see, the Kharkov school of dieselists has taken shape in the plant. Three doctors and 50 candidates of technical sciences have been reared by us. The decisive sectors for designing new equipment are now being strengthened -- the most active creative forces are being concentrated there. The testing and experimental base of the chief designer department is being improved and expanded. In the production of diesel engines, the plant occupies a leading spot not only in the country but also in Europe. For example, based on the number of diesel locomotive engines produced and their total power rating, it exceeds, for example, all of the FRG diesel engine firms.

Although diesel fuel is one of the cheapest ones, a visible interest in non-traditional types of fuel has been displayed recently.

It seems that natural gas engines will become an important landmark. A decision was made last year to produce locomotives with a serially produced engine that operates on compressed natural gas-- the cheapest type of fuel. Here, we are beneficially cooperating with the Natural Gas Scientific Research Institute and the Voroshilovgradteplovoz [Voroshilovgrad Locomotive] Association.

RAIL SYSTEMS

PLANS FOR NEW MOSCOW TRAIN SERVICING YARD

Moscow GUDOK in Russian 16 Dec 86 p 4

[Article by B. Kolesnikov: "The Train Station of the 21st Century"]

[Text] In accordance with the draft for the social and economic development of Moscow during the period out to the year 2000, they plan to construct the largest railroad passenger complex in Europe in the southern part of the capital. It will be a technical station for preparing consists and the 10th train station in succession in the city.

On the drafting boards of the architects, they still arbitrarily call the future station "South".

However, the problems, which are prompting the Ministry of Railways to count on the fact that the increase in travellers to the sunny krays can be passed through the new project, do not at all signify the impossibility of dispatching -- let us say, after about 10-15 years -- several dozen more trains in a 24 hour period from the presently operating stations. The urgency of the situation is something else: Only one quarter of the total number of trains, which depart from all of Moscow's stations, undergo a complete preparation before the trips.

The preparations, including the sanitary treatment, washing, technical inspection, and repair of the cars and equipment, is conducted in the capital's hub only at three special stations: Kalanchevka, Nikolayevka and Moscow-3 on the Yaroslavl Avenue. In a word, one can say that the Moscow passenger service is far from perfect from this point of view.

I met with Ya. Broytman, the chief engineer for the designing of the complex, in the Mosgioprotrans [Moscow State Transport Design and Research] Institute. We examined together sketches, plans and diagrams.

Yakov Grigoryevich explains: "Here, at kilometer No 26 in the very south of Moscow, we plan to erect a passenger station and a technical station between the lines of the Pavelets and Kursk avenues. The urban construction research,

which the transport designers conducted over the course of several years with their colleagues from the institute of Moscow's General Plan, permitted the selection of this spot to be made. The passenger station will be placed near the Bittsa platform. Let us note that this is only at a distance of one section from Prazhskaya, the final subway station on the Serpukhov Line. That is why the lengthening of the radial by the time the train station opens is not being excluded. This will make it convenient for "southern" passengers to travel about the city.

The technical station will occupy the territory between the Rastorguyev and Kalinina platforms. An eight-kilometer long connecting rail branch will travel along the ring highway. Consists will move over it from the train station's platforms to the preparation points.

Another important task faces the designers and railroad workers to whom the carrying out of the new construction project has been entrusted -- not to permit ecological purity to be violated during the siting of the complex not far from the borders of the area of the V. I. Lenin House Museum in Gorkiy and near the Leninskaya platform. This is a preserved natural corner of suburban Moscow that is unique in its originality. Undoubtedly, it should not suffer in any way from being close to a large railroad facility.

How can this be avoided?

My interviewee continued: "The design of the complex guarantees that the preserve will not be violated by contamination. What backs up these guarantees? First of all, there are the advanced design norms. Thus, the technical station will be equipped with a waste-free water management system. Polluted water will pass through special purification works. After this, using a so-called closed cycle, the water will again arrive for technical needs -- basically the washing of the rolling stock. Medical barriers have also been provided for storm (atmospheric) run-offs. They will also go to purification works through the mainlines of the storm sewers. Then, after cleaning, they will again arrive in the production water line."

Concerning household rubbish that passenger trains supply in abundance, the question is being solved simply: It will be delivered by special motor transport to a rubbish processing plant that is being designed in Biryulev (this is quite close to the technical station).

It is particularly necessary to talk about switching locomotives which, unfortunately, are still an active source of environmental pollution. That is why the use of locomotives using diesel fuel cannot be put up with at the new technical station. What will replace them? Electric locomotives? Hardly... They are ineffective for switching operations at a station because of the cumbersome catenary system.

The specialists in the All-Union Rail Transport Scientific Research Institute, All-Union Natural Gas Scientific Research Institute and the Bryansk Machine-building Plant are suggesting a different variant. For the first time in our

country, they have designed an experimental model of a switching locomotive that operates on compressed natural gas. The unusual in appearance locomotive, on whose top several large cylinders have been mounted, recently began testing at the test track in Shcherbinka. The designers, of course, are faced with testing several designs connected with the operation of the new machine. However, the fact that the Bryansk machinebuilders are preparing to build the first industrial batch of these machines, says a great deal: The Ministry of Railways and its Locomotives Main Administration have placed a serious order for the use of natural gas-powered locomotives at the very outset of the coming century. It is possible to hope that such a gas-powered locomotive -- an absolutely ecologically clean locomotive -- will appear at the future technical station in Moscow.

Based on the plans of the architects, what will the South Station be like?

It is still somewhat early to talk specifically about the details of the project. However, the basic specifications are already known. A total of 12,000 people can be accommodated simultaneously in its waiting-rooms (as a comparison, let us recall that the Kazanskiy -- the largest station in the capital -- accepts 17,000 passengers). Approximately 120 trains will arrive each day at the platforms of the capital's southern passenger harbor.

For the first time, railroad passenger facilities are being designed in a complex containing urban activities -- a hotel for transit passengers and a trade, consumer services and cultural center.

Let us consider the following figures: Almost 50 million long-distance passengers depart from Moscow's train stations annually. Only 20 million of them purchase a ticket in the capital. The others are transit travellers. That is why the reducing of trips to the center of the city for purchases by those arriving will permit the relieving of the subway lines and urban transport to some degree. Moreover, it will be easier to get from the new train station to the Domodedovo Airport.

8802

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MARITIME AND RIVER FLEETS

NEW MINISTER, OTHERS ADDRESS MARITIME FLEET ISSUES

Moscow VODNYI TRANSPORT in Russian 29 Nov 86 pp 1-2

[Report by Yu. M. Volmer, minister of the USSR Maritime Fleet: "A Course Toward Accelerating Reorganization"; Minutes of the meeting prepared by S. Parshikov]

[Excerpts] As has already been reported in our newspaper, at the recently held open Party meeting of the Ministry of the Maritime Fleet, the Minister of the Maritime Fleet gave a report "On Measures to Accelerate Reorganization of the Work of the Ministry of the Maritime Fleet System, in the Light of the Requirements of the 27th Party Congress and Subsequent Resolutions of the CPSU Central Committee."

Today we are publishing the minister's report and the discussion.

What are the basic, special features of the current stage of development for marine transport? The main characteristic feature lies in the fact that, in the ensuing five-year period, in contrast to all the preceding developmental periods, for the first time marine transport work will be carried out under the conditions of a reduced fleet by the end of the 12th Five-Year Plan. At the same time, shipments abroad must increase by approximately 10 percent and a 7.5-percent growth of profits must be ensured. Under these conditions, a legitimate question may arise: how can these ultimate indicators be attained, how can the unconditional and prompt, high-quality and complete satisfaction of the demands of the national economy for shipments be ensured?

It is impossible to solve these problems successfully without a fundamental and accelerated reorganization of the work of the ministry system as a whole, and of each one of us.

Today, profound reorganization is permeating every sphere of the country's life. It has embraced the minds and moods of all the Soviet people. Our sector has also entered a stage of reorganizing its work. The strategical directions of sectorial reorganization are:

Changing the economic methods of management;

Improving the master plan for marine transport administration;

Intensifying production on the basis of introducing the achievements of scientific and technical progress;

Improving the style and methods of work and heightening the discipline, order and quality of the work.

What is the situation today for these reorganizational directions?

The change in the economic methods of management, as we know, is implemented in accordance with the decree of the USSR Council of Ministers. The essence is that, beginning from 1 January of next year, the shipping companies and enterprises will convert to complete cost accounting on the basis of self-financing. I shall not dwell on the disclosure of the conditions for this conversion, since they have been discussed at each administration and association and recently, at the expanded session of the party committee of the Ministry of the Maritime Fleet. I shall note only that the essence of the conditions for conversion to full cost accounting are directed toward mutual combining of the interests of the work collectives with ensuring a solution to the sector's main problem, and toward stirring up the work and social activity of all the marine transport workers.

Right now serious preparatory work is in progress. The necessary normative documents have been drawn up. In evaluating the state of this work, however, it should be said that we have lagged behind in the rates of carrying it out, and an evaluation of unsatisfactory was given at the party committee on the part of the responsible workers of the Transport Division of the CPSU Central Committee.

No references to objective reasons can justify the present state of affairs. Little time remains. Communists V. Nikolaychuk and G. Gerasimuchuk, the chief organizers of this type of reorganization, should immediately adopt well thought-out decisive measures to organize work, both in the central system and at the work places. There must once more be a careful analysis of the results of the economic seminar-conference held at Klaipeda and all the special characteristics of the work of the collectives under the new conditions be taken into consideration. There can be many of them, particularly at the first stage of work. The experience in work activity of three shipping companies under the conditions of the experiment confirms this.

The plan for 1987 has now been formulated. It would appear that the conditions for putting it into effect, as applied to each shipping company, should once again be analyzed. There must be advance recognition of potential problems, and provision made for ways of solving them.

The work of the shipping companies under the new conditions requires an intensification of analytical work. In this connection, Glavflot and the PVFU

[Planning and Currency Finance Administration], with the participation of the interested subdivisions of the ministry and shipping companies, must work out a system of effective operational-economic analysis which would permit, within the framework of the existing statistical and account reporting, prompt discovery of the "bottlenecks" affecting the course of plan fulfillment and work out precisely the tactics for further performance within the framework of the sector and the individual shipping companies. This work must not be put aside.

When speaking of analysis, it should be noted that the transition of the shipping companies (enterprises) to full cost accounting on the basis of self-financing intensifies and accelerates the need for a major rise in quality for the entire system of planning in marine transport in all its aspects. Therefore, from today's standpoint, specific measures must be taken to ensure the heightening of the target function of the plan, the reliability of the assignments and the calculation of the world freight charge market conditions. I should particularly like to dwell on the problems of calculating the achievements of scientific-technical progress in the plans for the sector's economic and social development.

Under the conditions that have formed, with a diminishing of the available fleet and reduction of other resources, scientific-technical progress is becoming the chief basis for a further rise in production efficiency. Its results should be the initial basis of the plan, the heart of it. Unfortunately, today the effect of scientific-technical progress and the plan exist separately from each other, while they should interact in the closest possible manner. The Scientific and Technical Administration (Comrade Orlov) and the Planning and Currency Finance Administration (Comrade Gerasimchuk) are passive in making decisions and this can no longer be permitted. Therefore, the problem of organizing the planning of the economic effect from introducing the achievements of scientific-technical progress, its consideration in the plans and accounting, with the transition of the shipping companies to full cost accounting under obligatory procedure, should be worked out. Also, we should not forget about the corresponding decree of the directive organs on introducing, when planning, a system of advanced technical-economic norms and norms. Practically all the subdivisions of the ministry have been drawn into solving the problems of this basic direction in the matter of raising the planning quality. This work should be a focal point of attention and become the subject of special examination.

Transition of the shipping companies and enterprises to new managerial conditions shows that the need to make the master plan for the sector's administration more precise has grown urgent. Its draft was worked out and introduced to the directive organs. The structure of the master plans specifies that the structure of the administrations and associations and the number of them be put in order. What sort of problem is there in this direction for reorganization? First of all, the new master plan should establish a clear-cut delineation of functions between the central system and the shipping companies, at the same time ensuring the independence of the shipping companies and the concentration of the work of the central system on creating new management conditions and on the development and widescale use of economic methods of management and solutions to the problems of scientific-technical progress.

Along with this, there should be precise determination in the central system of the functions of all of its subdivisions and elimination of the dispersal of problems throughout the administrations and associations, as is the present case.

In accordance with the decrees of the CPSU Central Committee and the USSR Council of Ministers, the Ministry of the Maritime Fleet has obtained additional rights on foreign economic questions. It is important at this stage, in this connection, to work out the regulations on the administrations and associations carefully. The ministry's Business Affairs Administration must maintain constant control over them, after turning particular attention to the distribution and coordination of functions among the subdivisions.

On the whole, work on the transition to a new master plan for administration should be organized so that, in the time remaining to the end of the year, there is a possibility of providing an entire set of measures related to introducing it.

Development of marine transport in the 12th Five-Year Plan will be implemented on the basis of production intensification. This means that, along with improving the administrative methods, the problems of introducing the achievements of scientific-technical progress (NTP) should be basically solved. The five-year plan specifies putting into effect many of the scientists' developments. Advanced transport-technological systems and specialized transfer complexes are to be introduced. There will be further development of methods of organizing labor. There are plans to raise the relative proportion of dry-cargo transport, using advanced transport-technological systems and specialized transport complexes in the overall introduction of transport capacities. The level of complete mechanization, as we propose it, will increase to 96 percent.

An "Intensifikatsiya-90" program and sectorial scientific-technical and comprehensive target programs have been drawn up in the sector to put NTP into practice. The main thing now is to fulfill the outlined measures and to use the results of these programs effectively. Organizational work is of major importance in solving this problem. It must be implemented so that this entire complex of programs works in coordination with the outcome of specific results for consideration in the plans of the Ministry of the Maritime Fleet and the shipping companies. The comrades of the Scientific and Technical Administration, Glavflot, the PVFU and the Mortehtsudopremprom All-Union Association play a decisive role in this. It can be stated today, however, work on this key factor has not yet been organized. It must be accelerated. The problems are ones of principle, and their solution must not be delayed.

I shall dwell here on one principal problem in reorganization--capital construction. We have constructed many objects. Today we are operating highly productive transshipment complexes and are continuing to increase our capacities. Practical experience, however, shows that not everything goes well in this direction. Construction periods are still prolonged, and the work is not always of high quality. The demands for objects of social and cultural and

everyday purposes are not being satisfied. The housing problem is being solved only slowly. Therefore, it is now important to activate organizational work on putting into effect the decrees of the CPSU Central Committee and the USSR Council of Ministers "On Further Improvement in Administration of the Country's Construction Complex" and "On Measures To Improve the Economic Mechanism in Construction." Solving the problems of constructing objects for social purposes must be accelerated in the course of carrying them out. Communists L. Nedyak and V. Aristarkhov must have a clear-cut, specific course of action.

The success of any matter is above all determined by the person and his vital attitude. The style and methods of work that he uses are the basis of our acceleration. Therefore, changing the style and work methods of the ministry system is the main point in accelerating the reorganization. What position do we hold on this question?

I shall begin with the work of the collegium. Analysis shows that it examines many trivial duty problems. At the same time, the main problems that actually require the collegium's decision are rarely brought forth. The agenda of the meetings bristle with a large number of questions (in some cases 7-8 each). Of course, in this situation it is difficult to examine each of them thoroughly and take active measures. The discussion activity is lame. As a rule, the report reader and deputy minister who oversees the subdivision in question do the talking.

The quality of preparation of materials on questions raised at the collegium should be particularly dwelled upon. I will speak straight out, it is very poor. To give an example--the question of motor vehicle transport (prepared by Glavflot) was recently withdrawn from discussion. After all, though, this problem enters into carrying out the decision of the directive organs. Just how are we treating the question of putting it into effect? Unsatisfactorily. There is no other answer. The members of the collegium have not reorganized their work style, and are only weakly taking part in preparing the plan for the collegium and the materials for it. They have concentrated all their efforts on carrying out a multitude of operational conferences. This pertains first of all to operational activity. The members of the collegium themselves do not report the problems at the meeting. Really, though, the report of a member of the collegium is also a school for the chiefs of the administrations and associations. The work of the ministry deputies in the collegium is still far from the level of organization required. Improving the quality of the collegium's work is one of the paramount tasks in reorganizing the ministry system.

What is the state of affairs in the administrations and associations? Analysis of the materials from the administrations and associations on improving the style and methods of work shows that on the whole the work on reorganization is far from the requirements imposed. In the period that has passed since the congress no major changes have taken place in the ministry system methods of work. On the whole, the style of work has remained as before, and we shall speak more on the reorganization. Unfortunately, the flow of paperwork continues, and the vital organization work has not yet become the main method of administration. According to the data, the document-turnover in the six months of this year, as compared with the analogous period last year, has increased by 46 percent, and for the administrations and associations--by 80 percent.

Executive discipline is poor. In nine months of this year about 100 documents were made out in violation of the established deadlines. Glavflot, PVFU and the Morstroyzagrannostavka All-Union Production Association have most of the share of unexecuted documents. The length of time for executing commissions is drawing attention. Out of 29 orders prepared in 9 months of 1986, in fulfilling the decrees of the directive organs, 10 orders were 1-2 months in preparation and 10--over 2 months, with the established norm being 5-7 days.

Among the "champions" were orders on measures to raise product quality (88 days --Mortekhsudoremprom), on basic directions to accelerate the solution of a vital problem (116 days--Morstroyzagrannostavka), on a radical improvement in using raw material, fuel-energy and other material resources (130 days--the Scientific and Technical Administration) and on measures to improve foreign economic relations (over 90 days--PVFU, NTU [Scientific and Technical Administration], UVS [Foreign Relations Administration]). The Moreplavaniye All-Union Association showed an irresponsible attitude toward carrying out the instructions of a document on transport safety. Irresponsibility on the part of the first directors of the subdivisions, low exactingness toward subordinates and the inertia of the supervisory system is evident in all these cases. A visit from Glavflot divisions showed that the workers have no daily system of monitoring the course of fulfilling the decisions adopted. It is apparent that the party organizations pay little attention to problems of executive discipline.

In the year and a half that has passed since the CPSU Central Committee April (1985) Plenum, there has been no essential reduction in the number of disciplinary misdemeanors, and at a number of shipping companies they have increased. Among the seamen, cases of drunkenness and gross violations of the requirements for the Service Regulations on ships of the Maritime Fleet and of instructions and directions have not been eliminated. In 1985, 29 persons were released from the position of captain for serious dereliction of duty and incorrect personal behavior. The ChMP [Black Sea Shipping Company] has permitted such cases most frequently. Unfortunately, this also takes place in the central system of the ministry. There are still instances when the managerial personnel lose face because of unworthy behavior. What sort of exactingness toward subordinates can be discussed, then, if the main leader has lost this right? Our inactivity with respect to violators of discipline led to the tragic outcome of the steamship Admiral Nakhimov. As we know, 423 persons perished as the result of the collision with the motorship Petr Vasev.

According to the conclusion of the government commission, the reasons for the collision of the ships, which led to the destruction of the steamship Admiral Nakhimov with a great sacrifice of human lives were gross violations of the requirements of the normative documents regulating navigational safety and the criminally negligent attitude of the captains of both ships toward the performance of their duties.

Serious shortcomings have been revealed in the work of the Black Sea Shipping Company and the ministry apparatus for ensuring navigational safety. The former chief of the shipping company S. Lukyanchenko let problems of navigational safety slip out from under his personal control, having transferred power to his deputies. The directors of the shipping company, remaining

content with the overall figures on the accident rate for the shipping company, failed to ensure strict adherence by the navigation staff to the requirements of the Regulations for Service on ships of the Ministry of the Maritime Fleet, the Instructions on Organizing Navigation Service on ships of the Ministry of the Maritime Fleet and the International Rules on Preventing Ship Collisions at Sea; they slackened their exactingness for the fleet's command personnel and the shipping company's system for navigational safety and did not ensure the proper procedure in making up the crews of passenger ships and taking note of changes in their personnel, especially in coastal navigation. In the course of the probe, serious omissions were revealed in the selection, placement and training of the fleet's command personnel, including the captains and first officers.

The CPSU Central Committee, on examining the reports of the government commission on the inquiry into the causes of the accident of the Admiral Nakhimov, deemed the work on reorganization in the Ministry of the Maritime Fleet in the light of the requirements of the CPSU Central Committee April (1985) Plenum and resolutions of the 27th CPSU Congress to be unsatisfactory.

It was proposed that the Collegium of the USSR Ministry of the Maritime Fleet take measures for a radical rise in navigational safety, discipline and organization in marine transport work. The evaluation is strict, but justified. All of us should draw the appropriate conclusions, and through our work, attitude toward the matter and end results, put right the situation that has been created.

An analysis of the accident rate for the Ministry of the Maritime Fleet in the last three five-year plans shows that there is practically no improvement; every year the number of accidents, including shipwrecks, remains essentially unreduced and the technical losses are even increasing.

The main reason for the accidents in the maritime fleet is a violation of the existing normative-technical documents. The command staff of a number of vessels tolerates lax discipline and negligence in the execution of service duties. At the same time, they forget that the basic premises and requirements of the normative-technical documents are written on the basis of many years of navigational experience, and violation of any of them can and will lead to serious consequences, right up to a loss of human lives, ships and cargoes.

The Committee on People's Control and Office of the Public Prosecutor of the USSR pointed out the extremely alarming situation with respect to the accident rate. However, V. Yunitsyn, deputy minister, and B. Mayngashev, chairman of the Moreplavaniye All-Union Association, responsible for this area of work, did not draw the proper conclusions from these warnings and did not take exhaustive measures to ensure navigational safety and reduce the accident rate for the fleet, and permitted unjustified transfer of authority to the directors of the shipping companies.

Formal orders are being issued on the facts of serious accidents, and directives are being given in which there are no profound specific measures ensuring navigational safety. There is an excessively tolerant approach to evaluating

the causes for shipwrecks and major accidents, and these serious incidents are not used for a radical increase in the responsibility of the shipping company directors and fleet commanders for the state of navigational safety, which is confirmed by the measures taken by the duty officers in the instance of the catastrophe which occurred in 1986 to the motorship Mikhail Lermontov. The deputies of the ministry and members of the collegium, when visiting the sites, do not impose the necessary exactingness on the shipping company workers for the shortcomings in their work, do not take exhaustive measures to eliminate them and do not follow through the decisions made. The results of their official business missions are not made known.

The Institute of Master-Captains and Master Engineers shows little exactingness toward the command personnel of vessels with respect to navigational safety. Command training is lax and experience in safe navigation is not generalized and disseminated properly.

The shipping companies have inadequate monitoring of fulfillment of the ministry order demands and other normative documents directed toward averting the accident rate. The exactingness demanded of the specific officials responsible for carrying them out in the fleet is poor. Prompt preventive measures are not worked out, which contributes to repetition of serious accidents. I shall give you an example: we all know the consequences of the unthinking execution of the recommendations of the pilot on the motorship Mikhail Lermontov. It is difficult to imagine a more instructive lesson in serious loss. What came out of it? Again, for the same reason, a few weeks later a vessel of the same shipping company runs aground.

The committees making comprehensive and selective probes of shipping companies on questions of navigational safety do not analyze the state of affairs thoroughly and show a lack of scruples in their conclusions and suggestions.

In March 1985 a spot check was made of the Black Sea Shipping Company on problems of ensuring the fleet's accident-free operation. V. Zaleyev, M. Burkhanov and A. Bystrov from the Moreplavaniye All-Union Association took part in it. It was noted in the conclusions and proposals of the commission that organizational work of the navigational safety service on coordinating the efforts of shipping company subdivisions for averting the accident rate, executive discipline and the monitoring-inspection activity of the service staff for strict adherence in the fleet to normative requirements on ensuring navigational safety and protection of human life at sea require further reinforcement, taking into account the growing requirements. You will agree that this entry can be made without going out of the office. But where is the specific analysis? The evaluation in principle of the work of specific people from the masters to the deputy chief of the shipping company? Where is specific help and advice?

You know the result. A year and a half after the probe, many had to be relieved of their duties. We render poor service to the shipping companies and their individual workers with such superficial checks.

It is a pity, but it must be stated that the upper-echelon directors have a bureaucratic approach to examining the instances of accidents. I shall give an example. The cargo shifted on the motorship Komandarm Gay. Comrade Maynagashev passed the review and adoption of measures on this incident to Glavflot, considering that this was not his affair and at the same time holding to the principle that, "If there had been an accident, then we would have investigated." Really, though, one should forestall accidents, not wait for them. The Moreplavaniye All-Union Association should be the leader and initiator in this. There is a misconception here of its role both as a director and as a communist.

The Morpasflot All-Union Association (Comrade Osherin, deputy chairman of the association) has not taken every measure for organizational ensurance of the transport of passengers in accordance with the existing requirements and has done practically no work in the sphere of ensuring safety in the operation of the passenger fleet and reinforcing discipline on passenger vessels. The personnel of this association themselves are unworthy in their behavior and make no contribution to strong discipline in the passenger fleet.

The shortcomings noted in ensuring accident-free operation of the fleet stem from serious omissions in the selection, placement and training of the personnel. The command personnel (chief, Comrade Kuznetsov) have not reorganized their work and have not achieved a fundamental improvement in work with the other personnel. The work quality of the command officers has remained poor. The shipping companies have not set up systematic monitoring of the state of affairs with the crews and exactingness for the command personnel, and particularly for the captains and first officers, is reduced. Formalism is permitted in work with a reserve for promotion. The certification of the command staff, made once every three years, has still not become a measure determining the commanding officers' fitness for fulfilling responsible duties. In preparing for the certification, the specialists are examined superficially, the performance is general in nature, there are almost no data determining the individual characteristics of the persons, and therefore recommendations based on the results of the certification are vague. In promotion to a post, the opinion of the work collective is not brought out and is not always taken into consideration. As a result of this, there are serious blunders and errors and instances when persons who do not possess the necessary efficient and moral qualities are promoted to senior command positions.

In the serious shortcomings of the subdivisions, incomplete work by the party organizations is evident. Where is their fighting spirit?

The accident of the steamship Admiral Nakhimov was reviewed at an expanded session of the collegium, with representatives of the shipping companies participating. An evaluation based on principle was given for the act, and ways to radically improve the situation with navigational safety were outlined. What is the main thing here?

1. Fundamental reorganization of personnel policy.
2. Reinforcement of discipline.

3. Intensification of monitoring the execution of existing normative documents in the sphere of navigational safety. The monitoring should be effective and preventative.

4. A change in the approach to work with the sailing staff, bearing in mind that the bureaucratic paperwork machinery must be replaced by brisk organizational work, extending to each seaman, regardless of the position he holds.

5. Clearing the ballast from the seamen's environment. The dedicated, professionally competent and morally stable seamen must be left in the fleet. Captains who have compromised themselves in their personal behavior or have permitted a negligent attitude or lack of scruple in fulfilling service duties ensuring navigational safety can no longer hold this position. They should be used only in shore subdivisions, in consideration of their profession.

6. An increase in the role and results of the work of the Institute of Captain-Instructors and Engineer-Instructors.

7. Improvement of higher and secondary specialized education in the light of the decree of the CPSU Central Committee "On the Basic Directions for Reorganization of Higher and Secondary Specialized Education in the Country."

8. A solution to social problems, with active use for this purpose made of the possibilities offered in connection with the transition of the shipping companies and enterprises to full cost accounting.

9. Development of the material-technical base.

The task now is to carry out the decision of the collegium.

Thus, the situation in the sector today obliges us, the communists, and the entire ministry system to raise quality in all units, sharply increase work activity and the fighting spirit of the party organizations, to make major changes in the work of the personnel services and, in the last analysis, to establish order and discipline. This, as M.S. Gorbachev said at the CPSU Central Committee Conference held on 14 November 1986, is the primary task. Its successful solution is the duty of the communists in the sector and of the entire ministry system. It will be fulfilled absolutely.

After the Minister's report, the discussion began. Yu. Polyanskiy, chief of the Division of Salvage and Sea Rescue Operations for the Moreplavaniye All-Union Association, focused attention on navigational safety. He said that the serious state of the accident rate in the sector and the protective work to prevent it attest to the fact that the association has not taken adequate measures to monitor ensurance of navigational safety in the shipping companies and in the ports, and the EO [Evacuation Division] of ASPTR [Emergency Ship Salvage, Repair, and Underwater Operations] did not achieve any reduction in the accident rate in the fleet. This indicates that the association did not reorganize the style of work in the spirit of the requirements of the CPSU Central Committee April (1985) Plenum and the resolutions of the 27th CPSU Congress.

In many cases, orders and decrees and bureaucratic paperwork substitute for true exactingness and supervision of conscientious fulfillment of service duties and organizational work on carrying out the decisions. The shipping companies and ports are given no effective and practical assistance in their work to ensure accident-free operation of the fleet.

To the detriment of organizing efficient monitoring at the work places, the employees on the staff often waste their strength on preparing various documents which have no direct relation to preventing the accident rate. The necessary exactingness is not shown toward workers in the shipping company for shortcomings in their work, not all possible measures are taken to eliminate the reasons for the shortcomings and the decisions adopted are not put into effect fully.

At the same time, the Moreplavaniye All-Union Association has not been rigid enough in implementing the inspection and monitoring of the shipping companies' fulfillment of the requirements for normative documents, has not taken decisive measures to eliminate the shortcomings revealed during checks made of the shipping companies and has been lax in supervising the work of the administrations and associations of the ministry with respect to their ensuring navigational safety. The commissions checking the shipping companies do not make a thorough analysis of the state of affairs and show a lack of principles in their conclusions and suggestions.

It is not by chance that after investigations like this, the commissions of the Ministry of the Maritime Fleet failed to reveal many violations of the requirements of the normative documents. No high exactingness is demanded of persons on the command staff when their occupational knowledge of their specialty is examined. The port captains and port inspectors do a poor job of monitoring, on the vessels, questions of navigational safety which are among their duties. In particular, they do not make careful checks, particularly on passenger vessels, of how the crews are trained to take damage-control measures.

Further, proposals of the association that required decisions were set forth briefly. For example, with a change in the structure of the Ministry of the Maritime Fleet, it must be specified that the subdivision newly created at the base of the Moreplavaniye All-Union Association be completely staffed with qualified personnel, after being maximally relieved of fulfilling the functions of security. It was proposed that the monitoring functions of the inspectors at the ports of the Ministry of the Maritime Fleet be intensified by creating an institute of highly qualified inspectors, to raise the exactingness and responsibility in problems of ensuring navigational safety.

The speaker G. Gerasimchuk, chief of the Planning and Currency-Finance Administration, noted that all of the shipping companies and enterprises in basic industrial work would, beginning on 1 January 1987, operate using full cost accounting and self-financing. The purpose of this restructuring is to create an efficient and clear-cut administration which would make it possible to use fixed capital most fully and with the greatest yield.

Today, the documents are being coordinated at the directive organs, a conference was held in Klaipeda and economic training is in progress. Not all the ministry employees have a command of the material, however--they have forgotten the order from the ministry, which published a decree on this matter, and work must be done in accordance with it, now and tomorrow. The task of each worker, at his place, is to master the new conditions of economic operations and know how to direct his work sections under the new conditions, since this has been ordered by this decree.

Independence and a centralized type of administration are required. Today the task of the central system and the Planning and Currency Finance Administration consists of making a competent analysis of the situation that has formed and making the correct decisions. We must learn to count each kopeck and to remember that each ruble invested should yield three rubles as a minimum. Without this statement of the problem, there is simply no survival.

The speeches revealed the reasons hindering the normal work of the Ministry of the Maritime Fleet. First of all, there is duplication of functions. This is basic today, which makes the central system work feverishly with respect to executing various documents.

It was noted that for several years now, talks have been going on concerning the fact that correcting the plans is inadmissible and that it demobilizes the work of the collective. In the future, there will be no correction of the plans. This increases the responsibility of the planning normatives that are being drawn up. The five-year plan has already been approved, and increases the responsibility of those who made the decisions and gave certain proposals.

V. Strakhov, senior economist of the Sovfrakht All-Union Association, noted in his speech that the production assignments presented to the offices of the association had been, for the most part, fulfilled. In particular, the problem with surveyor inspection of the containers has been solved and negotiations have begun with the Main Administration of International Transport on precise determination of the functions of the transport organizations of the Ministry of the Maritime Fleet and the Ministry of Foreign Trade abroad. All of this affords the possibility of speaking about definite activation of the party groups in solving painful production problems.

This is still not reorganization, however. These are only partial positive improvements. Serious problems, and this pertains not only to the party group of Sovfrakht, lie in a certain inertia in behavior, in the custom of following fixed rules and norms, and in lack of experience in putting into effect its own participation in production administration. These problems should above all be solved at the level of the party groups, and there should be work on expanding the business-like initiative and activity of the members. Reorganization is a matter for the entire collective, and not just its party and administrative leadership. Also important, however, is the fact that it is impossible to change something radically in an individual section, while leaving unchanged the group of interrelations that has formed among the organizations within the framework of the ministry, particularly if it is a question of the higher organizations.

Deputy Minister L. Nedyak dwelled on problems of the sector's socio-economic development and stressed the role of the communist leaders.

The capacities of our ports are growing yearly. This means that it is possible to count on a substantial reduction in waiting times and acceleration of fleet turnover. The new management conditions, to which the sector is now converting, urgently require careful analysis—whether construction of new berths and complexes is necessary at all the basins, or whether the necessary effect can be achieved by building up and completely equipping the existing structures.

For example, the specialized complex for "ro-ro" and container ships at the Port of Arkhangelsk is not being used to full planned capacity. Special complexes to handle cargoes of lumber are only 85-percent used. The refrigerator storages constructed at the ports of Kaliningrad and Kherson are not used for the direct purpose. For many years, the refrigeration complex at the Port of Kaliningrad, with a throughput capacity of 150,000 tons of perishable goods, has been mainly overloaded with paper, metal and machines, and the proportion of perishables is negligible.

In recent years the ports have been supplemented with new, highly-productive equipment, and the depths of the berths at the ports of Kaliningrad and Ventspils have been increased. The operating loads have been increased at berths at the ports of Kandalaksha, Vyborg and Leningrad, open storage areas have been introduced, etc. All these measures, however, have not been properly reflected in recalculating the established capacities of the ports.

Conversion of the sector to full cost accounting is linked with improving the sector's administrative structure. The changes will be accompanied by a considerable reduction in staff. This is an inevitable and necessary process. Therefore, the speaker emphasized, it would be right from all points of view to begin this reduction already, by stages, in order to solve the problem of job placement for the people more easily.

O. Vavilov, chief of the Division of Management and Engineering and Technical Personnel, devoted his speech to problems of working with personnel. He said that restructuring our entire personnel operation, which is integrally bound with solving the most complex and most difficult labor problem is a restructuring of the psychology, thinking and consciousness of the workers in the sector. It is not an easy matter. The dismal lessons of the past show that restructuring is not conducive to either good humor or self-satisfaction or complacency, particularly in problems related with ensuring navigational safety.

It has always been felt that the system, created in conjunction with the Moreplavaniye All-Union Association and approved for dozens of years, of selection, occupational training, appointment and promotion to command positions, and especially to the position of captain, is fully reliable and meets present-day requirements. The opinion has even been held that our system was of a higher order than in a number of other sectors. Evidently it was, at a certain stage. Life does not stand still, however.

More and more often we must ponder over how to determine whether the navigator is capable and whether the captain is psychologically able to make the correct decision under complex circumstances, whether he will become flustered in extreme situations and how to tell how much sense of responsibility and sense of duty have been developed in him, which, moreover, is not displayed, but stems from the very essence of his nature and character.

Unfortunately, there have been no essential changes for a number of years in the solution to these problems.

Such negative phenomena as protectionism in all its manifestations, including the improper practice of arranging for work in the central organs according to friendship and nepotism have not been paid enough attention or, in general, have been hushed up. As we know, these shortcomings were revealed in an investigation by the KPK [Committee for Party Control] at the CPSU Central Committee, which pointed out the need to wage a decisive battle against nepotism and the negative practice of arranging work for relatives, particularly the children of responsible personnel in subdivisions whose work involves assignments abroad.

In accordance with the results of the investigation, the KPK adopted the appropriate decree of the Party Committee. It would seem that its decision should have been correctly interpreted and fulfilled by those to whom it pertained. Almost six months have already passed, however, since the investigation by the KPK, and there has been no essential improvement in solving this problem.

Continuing the subject of quality staffing of the ministry system with specialists, the speaker noted the importance of ensuring a constant flow, conforming to plan, to the system from production, of fresh young specialists with a marine background, who had gone through good training in the fleet, in ports and at plants, and who had obtained a great deal of practical experience and had developed as competent specialists precisely in production.

At the conclusion of his speech, the reporter emphasized that the communists and party organization of Glavkadry had drawn the appropriate conclusions from the serious but fair criticism that the party committee and collegium of the ministry had directed toward them. At the party meeting and party bureau sessions which discussed the circumstances of the accident to the steamship Admiral Nakhimov, the causes were revealed and specific persons were named and reprimanded.

At present, specific measures are being worked out at Glavkadry to improve work with the captains, first officers and command staff and as a whole for working with personnel. The communists of the party organization realize that it is not easy to carry out everything outlined and the process of reorganization will be difficult, but they are doing everything possible to accelerate it.

The speech by V. Zbarashchenko, chief of Glavflot, dealt with fulfillment of the goals of the five-year plan. The plan for 10 months on the whole for the ministry for coastal delivery was fulfilled by 106.6 percent, and for the volume of loading and unloading operations--by 105 percent. At the same time, for three months the sector did not fulfill the plan for foreign deliveries. The Northern, Baltic, Estonian, Black Sea and Primorye shipping companies are doing this work poorly. The Baltic, Estonian and Georgian shipping companies are not expected to fulfill the plan for the year.

Glavflot has made a broad analysis of the reasons for the difficulties in carrying out the planned assignments for this year. Despite showing the objective factors indicated, however, the Glavflot collective is now, with full responsibility, aware of the fact that under the conditions that have formed, not everything has been done by all the shipping companies to fulfill the planned shipments and to further increase the efficiency of the fleet's operations. In the third quarter the refrigeration fleet of the Latvian Shipping Company and the bulk carrier fleet of the Black Sea and Azov shipping companies did unsatisfactory work; the "ro-ro" ships of the Estonian Shipping Company and line ships of the Baltic Shipping Company are used inefficiently; the operations efficiency of the fleet has been lowered on a number of routes, including those to Cuba and Vietnam.

Glavflot has prepared and the deputy minister approved specialization of the work of the shipping companies with respect to cargo transport in coastal and foreign navigation and ports, on the basis of which the Planning and Currency Finance Administration will work out yearly plans for the volumes and routes of the shipments, and the shipping companies will conclude direct agreements with the cargo owners on the shipments, and will organize them. The shipping companies have already begun to conclude direct agreements, but so far have no plans from the Planning and Currency Finance Administration for the volumes of export-import shipments in 1987 because of the delay in their coordination at USSR Gosplan.

In consideration of the fact that direct agreements on foreign-trade cargo shipments will be concluded only by the shipping companies (this is not included in the functions of the Sovfrakht All-Union Association), Glavflot is to distribute among the shipping companies, in quarterly plans, all the cargo volumes ordered. At the same time, the shipping companies will bear the responsibility for their transport by all types of fleet--their own, those hired from other shipowners, bareboat charters and line foreign and chartered tonnage. The exchange of opinions at the seminar in Klaipeda showed that the shipping companies do not approach this statement of the problem in a sufficiently responsible manner, and Glavflot must explain the importance of the newly introduced indicator--the volume of export-import shipments (in tonnage).

The particular complexity in the work of the Glavflot collective, emphasized the speaker, stems from the considerably expanding number of consigners, because the rights of independent foreign trade activity have been transferred to many ministries. This requires drawing a large number of ministries and departments into daily operational work.

Glavflot is taking measures to reduce the trivial responsibilities of the shipping companies for problems of their operations work. At the same time, obviously, it cannot manage to fully withdraw from the problems of operational coordination of the shipments, which is mainly caused by the presence of a considerable number of shipping companies in the sector. The problems of curtailing the objects of administration must be pondered.

D. Anisin, senior engineer of the Mortehtksudoremprom All-Union Association, devoted a great deal of attention in his speech to repairing and detaining the fleet. He said that the section on intensifying the technical operation of the fleet from the Intensifikatsiya-90 Program had been reviewed, that an increase in the shift work of the shipyards is being implemented, the basic goals of the five-year plan in the sphere of technical improvement in the work of the shipyard were being worked out and specific measures ensuring an increase in the operational period of the transport fleet through reducing the repair time allowance had been determined.

Also speaking during the debate were I. Orlov, chief of the Scientific and Technical Administration, A. Yefimov, chairman of the Party Committee, N. Sereda, chairman of the profkom of the Ministry of the Maritime Fleet, V. Nikolayev, expert from the Sovfrakht All-Union Association, V. Tureyev, chief of the Administration of Affairs and V. Gordeychik, chief editor of the journal Vympel.

The party meeting adopted the appropriate resolution.

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MARITIME AND RIVER FLEETS

MINISTRY OFFICIALS PUNISHED FOR ADMIRAL NAKHIMOV DISASTER

Moscow VODNYI TRANSPORT in Russian 29 Nov 86 p 3

[Article: "At the CPSU Moscow Gorkom [City Party Committee]"]

[Text] On the instructions of the CPSU Central Committee, the party gorkom bureau reviewed the question of the responsibility of certain supervisory workers of the Ministry of the Maritime Fleet and Central Soviet for Tourism and Excursions of the VTsSPS [All-Union Central Trade-Union Council], in connection with the accident of the steamship Admiral Nakhimov. The bureau noted that the directors of the Ministry of the Maritime Fleet permit major shortcomings in work with personnel and in ensuring navigational safety and preventing accidents in the fleet. The Central Soviet on Tourism and Excursions of the VTsSPS grossly violates the established procedure for putting tourist permits into effect and organizing marine cruises. A reprimand with a notation on the communist registration form was announced for former Minister of the Maritime Fleet Comrade Guzhenko. Severe reprimands with notation on the communist registration form were announced for Comrade Kuznetsov, chief of the ministry's Main Administration for Personnel, Comrade Shchegolev, deputy chief of the ministry's Main Administration for Personnel, and Comrade Oshcherin, deputy chairman of the Mordasflot All-Union Association. Reprimands, with a notation on the communist registration form were announced for Comrade Sukhov, chief of Navigation Inspection, and Comrade Abukov, chairman of the Central Committee on Tourism and Excursions of the VTsSPS. A severe reprimand was announced for Comrade Leontyev, deputy chairman of the Moreplavaniye All-Union Association.

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